DOCUMENT RESUME

ED 326 590 UD 027 656

TITLE Chicago School Reform: September 1989 Update.
INSTITUTION Illinois State General Assembly, Springfield.
PUB DATE Sep 89
NOTE 134p.
PUB TYPE Legal/Legislative/Regulatory Materials (090)

EDRS PRICE MF01/PC06 Plus Postage.
DESCRIPTORS Attendance; *Educational Administration; Educational Facilities; Educational Finance; *Educational Legislation; Elementary Secondary Education; School Organization; School Personnel; *School Restructuring; State Government; State Legislation; State Programs; *Urban Schools
IDENTIFIERS *Chicago Public Schools IL; *Illinois

ABSTRACT

This edition of the Illinois school reform law includes revisions made during the recent legislative session. The text covers every aspect of organization and administration, including finance, hiring and firing, state aid allocation, teacher training and evaluation, pupil lunches, curriculum design, educational objectives, performance audits, transportation, elections, promotions, the operation of local school councils, school choice, enrollment, and attendance. (DM)

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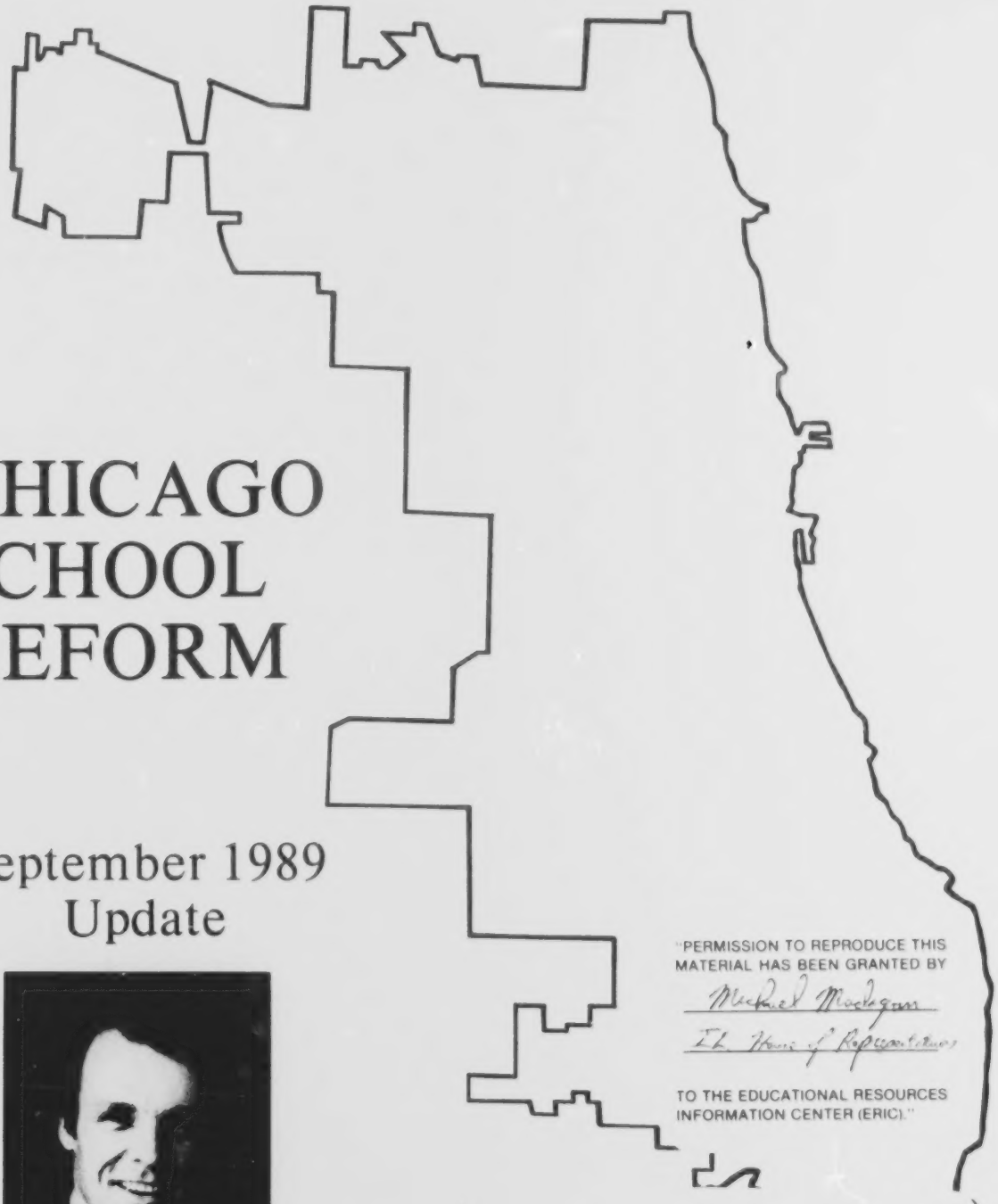

CHICAGO SCHOOL REFORM

September 1989 Update

MICHAEL J. MADIGAN, *Speaker*
Illinois House of Representatives

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GENERAL ASSEMBLY

STATE OF ILLINOIS

MICHAEL J. MADIGAN
SPEAKER
316 CAPITOL
SPRINGFIELD, ILLINOIS 62706

HOUSE OF REPRESENTATIVES
EX OFFICIO MEMBER
ALL HOUSE COMMITTEES

September 1989

Dear Friend of Education:

By now you are aware of the exciting challenges and opportunities that await Chicago citizens interested in improving our public school system. I am confident that school reform holds great promise for the future of Chicago public schoolchildren.

I am encouraged by the ambitious efforts of parents and members of business, civic, labor, and reform organizations to galvanize support and interest in the new school reform law. Much has already been accomplished in the spirit of school reform, including the appointment of the interim board, successful contract negotiations with Board employee representatives, and the inception of training workshops throughout the city.

However, much work lies ahead and your contribution to the reform process is essential to its success. I strongly encourage you to become involved in the upcoming local school council elections — either by running for office or voting for the candidates best qualified to respond to the needs of your school. To assist you in this mission, I have enclosed a copy of the school reform law which includes revisions made during the recent legislative session.

With kindest personal regards, I remain

Sincerely yours,

Michael J. Madigan

MICHAEL J. MADIGAN
Speaker of the House

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* Senate Bill 652 was approved by the General Assembly and currently awaits the Governor's signature.

(Ch. 122, par. 2-3.90)

Sec. 2-3.90. The State Board of Education, after consultation with private and public higher education institutions located in cities having a population exceeding 500,000, shall study and make recommendations to the General Assembly on ways to improve teacher training in the public school system of such cities. The Board shall report its findings to the General Assembly by January 1, 1990. P.A. 85-1418.

(Ch. 122, par. 2-3.91)

Sec. 2-3.91. The State Board of Education, after consultation with the board of education or school districts organized under Article 34 and other interested school boards, shall study and develop an array of proposed incentive programs that may be utilized by individual school districts to allow families to apply for enrollment of their children in any attendance center within the school district or subdistrict and have their children admitted on a space available basis. The Board shall report its recommendations to the General Assembly by January 1, 1990. P.A. 85-1440.

(Ch. 122, par. 18-8)

Sec. 18-8. Basis for apportionment to districts, laboratory schools and alternative schools. A. The amounts to be apportioned shall be determined for each educational service region by school districts, as follows:

1. General Provisions: (a) In the computation of the amounts to be apportioned, the average daily attendance of all pupils in grades 9 through 12 shall be multiplied by 1.25. The average daily attendance of all pupils in grades 7 and 8 shall be multiplied by 1.05.

(b) The actual number of pupils in average daily attendance shall be computed in a one-teacher school district by dividing the total aggregate days of pupil attendance by the actual number of days school is in session but not more than 30 such pupils shall be accredited for such type of

district; and in districts of 2 or more teachers, or in districts where records of attendance are kept by session teachers, by taking the sum of the respective averages of the units composing the group.

(c) Pupils in average daily attendance shall be computed upon the average of the best 3 months of pupils attendance of the current school year except as district claims may be later amended as provided hereinafter in this Section. Days of attendance shall be kept by regular calendar months, except any days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May. Days of attendance by pupils shall be counted only for sessions of not less than 5 clock hours of school work per day under direct supervision of teachers, with pupils of legal school age and in kindergarten and grades 1 through 12.

(d) Pupils regularly enrolled in a public school for only a part of the school day may be counted on the basis of 1/6 day for every class hour of instruction of 40 minutes or more attended pursuant to such enrollment.

(e) Days of attendance may be less than 5 clock hours on the opening and closing of the school term, and upon the first day of pupil attendance, if preceded by a day or days utilized as an institute or teachers' workshop.

(f) A session of 4 or more clock hours may be counted as a day of attendance upon certification by the regional superintendent, and approved by the State Superintendent of Education to the extent that the district has been forced to use daily multiple sessions.

(g) A session of 3 or more clock hours may be counted as a day of attendance when the remainder of the school day is utilized for an in-service training program for teachers, up to a maximum of 5 days per school year of which a maximum of 4 days of such 5 days may be used for parent-teacher conferences, provided a district conducts an in-service

training program for teachers which has been approved by the State Superintendent of Education; or, in lieu of 4 such days, 2 full days may be devoted to parent-teacher conferences, in which event each such day may be counted as a day of attendance. Any days so used shall not be considered for computing average daily attendance.

(h) A session of not less than 1 clock hour teaching of hospitalized or homebound pupils on-site or by telephone to the classroom may be counted as 1/2 day of attendance, however these pupils must receive 4 or more clock hours of instruction to be counted for a full day of attendance.

(i) A session of at least 4 clock hours may be counted as a day of attendance for first grade pupils, and pupils in full day kindergartens, and a session of 2 or more hours may be counted as 1/2 day of attendance by pupils in kindergartens which provide only 1/2 day of attendance.

(j) For handicapped children below the age of 6 years who cannot attend two or more clock hours because of handicap or immaturity, a session of not less than one clock hour may be counted as 1/2 day of attendance; however for such children whose educational needs so require a session of 4 or more clock hours may be counted as a full day of attendance.

(k) A recognized kindergarten which provides for only 1/2 day of attendance by each pupil shall not have more than 1/2 day of attendance counted in any 1 day. However, kindergartens may count 2 1/2 days of attendance in any 5 consecutive school days. Where a pupil attends such a kindergarten for 2 half days on any one school day, such pupil shall have the following day as a day absent from school, unless the school district obtains permission in writing from the State Superintendent of Education. Attendance at kindergartens which provide for a full day of attendance by each pupil shall be counted the same as attendance by first grade pupils. Only the first year of attendance in one kindergarten shall be counted except in

case of children who entered the kindergarten in their fifth year whose educational development requires a second year of kindergarten as determined under the rules and regulations of the State Board of Education.

(l) Days of attendance by tuition pupils shall be accredited only to the districts that pay the tuition to a recognized school.

(m) The greater of the immediately preceding year's weighted average daily attendance or the average of the weighted average daily attendance of the immediately preceding year and the previous 2 years shall be used.

For any school year beginning July 1, 1986 or thereafter, if the weighted average daily attendance in either grades kindergarten through 8 or grades 9 through 12 of a district as computed for the first calendar month of the current school year exceeds by more than 5%, but not less than 25 pupils, the district's weighted average daily attendance for the first calendar month of the immediately preceding year in, respectively, grades kindergarten through 8 or grades 9 through 12, a supplementary payment shall be made to the district equal to the difference in the amount of aid the district would be paid under this Section using the weighted average daily attendance in the district as computed for the first calendar month of the current school year and the amount of aid the district would be paid using the weighted average daily attendance in the district for the first calendar month of the immediately preceding year. Such supplementary State aid payment shall be paid to the district as provided in Section 18-8.4 and shall be treated as separate from all other payments made pursuant to this Section 18-8.

(n) The number of low income eligible pupils in a district shall result in an increase in the weighted average daily attendance calculated as follows: The number of low income pupils shall increase the weighted ADA by .53 for each

student adjusted by dividing the percent of low income eligible pupils in the district by the ratio of eligible low income pupils in the State to the best 3 months' weighted average daily attendance in the State. In no case may the adjustment under this paragraph result in a greater weighting than .625 for each eligible low income student. The number of low income eligible pupils in a district shall be the Education Consolidation and Improvement Act of 1981 Chapter 1 count for the immediately preceding year and the weighted average daily attendance shall be calculated in accordance with the other provisions of this paragraph.

(o) Any school district which fails for any given school year to maintain school as required by law, or to maintain a recognized school is not eligible to file for such school year any claim upon the common school fund. In case of nonrecognition of one or more attendance centers in a school district otherwise operating recognized schools, the claim of the district shall be reduced in the proportion which the average daily attendance in the attendance center or centers bear to the average daily attendance in the school district. A "recognized school" means any public school which meets the standards as established for recognition by the State Board of Education. A school district or attendance center not having recognition status at the end of a school term is entitled to receive State aid payments due upon a legal claim which was filed while it was recognized.

(p) School district claims filed under this Section are subject to Sections 18-9, 18-10 and 18-12, except as herein otherwise provided.

(q) The State Board of Education shall secure from the Department of Revenue the value as equalized or assessed by the Department of Revenue of all taxable property of every school district together with the applicable tax rate used in extending taxes for the funds of the district as of September 30 of the previous year. In a new district which has not had

any tax rates yet determined for extension of taxes, a leveled uniform rate shall be computed from the latest amount of the fund taxes extended on the several areas within such new district.

(r) If a school district operates a full year school under Section 10-19.1, the general state aid to the school district shall be determined by the State Board of Education in accordance with this Section as near as may be applicable.

2. New or recomputed claim. The general State aid entitlement for a newly created school district or a district which has annexed an entire school district shall be computed using attendance, compensatory pupil counts, equalized assessed valuation, and tax rate data which would have been used had the district been in existence for 3 years. General State aid entitlements shall not be recomputed except as permitted herein.

3. Impaction. Impaction payments shall be made as provided for in Section 18-4.2.

4. Summer school. Summer school payments shall be made as provided in Section 18-4.3.

5. Computation of State aid: The State grant shall be determined as follows:

(a) The State shall guarantee the amount of money that a district's operating tax rate as limited in other Sections of this Act would produce if every district maintaining grades kindergarten through 12 had an equalized assessed valuation equal to $74,791 per weighted ADA pupil; every district maintaining grades kindergarten through 8 had an equalized assessed valuation of $108,644 per weighted ADA pupil; and every district maintaining grades 9 through 12 had an equalized assessed valuation of $187,657 per weighted ADA pupil. The State Board of Education shall adjust the equalized assessed valuation amounts stated in this paragraph, if necessary, to conform to the amount of the appropriation approved for any fiscal year.

(b) The operating tax rate to be used shall consist of all district taxes extended for all purposes except community college educational purposes for the payment of tuition under Section 6-1 of the "Public Community College Act", Bond and Interest, Summer School, Rent, Capital Improvement and Vocational Education Building. Any district may elect to exclude Transportation from the calculation of its operating tax rate. Districts may include taxes extended for the payment of principal and interest on bonds issued under the provisions of Sections 17-2.11a and 20-2 at a rate of .05% per year for each purpose or the actual rate extended, whichever is less.

(c) For calculation of aid under this Act a district shall use the combined authorized tax rates of all funds not exempt in (b) above, not to exceed 2.76% of the value of all its taxable property as equalized or assessed by the Department of Revenue for districts maintaining grades kindergarten through 12; 1.90% of the value of all its taxable property as equalized or assessed by the Department of Revenue for districts maintaining grades kindergarten through 8 only; 1.10% of the value of all its taxable property as equalized or assessed by the Department of Revenue for districts maintaining grades 9 through 12 only. A district may, however, as provided in Article 17, increase its operating tax rate above the maximum rate provided in this subsection without affecting the amount of State aid to which it is entitled under this Act.

For purposes of calculating a district's State aid, no district's operating tax rate shall be increased as a result of an increase in the taxes extended by the county clerk under Section 162 of the "Revenue Act of 1939" as amended in 1977.

(d) (1) For districts maintaining grades kindergarten through 12 with an operating tax rate as described in subsections 5(b) and (c) of less than 2.18%, and districts

maintaining grades kindergarten through 8 with an operating tax rate of less than 1.28%, State aid shall be computed by multiplying the difference between the guaranteed equalized assessed valuation per weighted ADA pupil in subsection 5(a) and the equalized assessed valuation per weighted ADA pupil in the district by the operating tax rate, multiplied by the weighted average daily attendance of the district.

(2) For districts maintaining grades kindergarten through 12 with an operating tax rate as described in subsection 5(b) and (c) of 2.18% and above, the State aid shall be computed as provided in subsection (d) (1) but as though the district had an operating tax rate of 2.76%; in K-8 districts with an operating tax rate of 1.28% and above, the State aid shall be computed as provided in subsection (d) (1) but as though the district had an operating tax rate of 1.90%; and in 9-12 districts, the State aid shall be computed by multiplying the difference between the guaranteed equalized assessed valuation per weighted average daily attendance pupil in subsection 5(a) and the equalized assessed valuation per weighted average daily attendance pupil in the district by the operating tax rate, not to exceed 1.10%, multiplied by the weighted average daily attendance of the district. State aid computed under the provisions of this subsection (d) (2) shall be treated as separate from all other payments made pursuant to this Section. The State Comptroller and State Treasurer shall transfer from the General Revenue Fund to the Common School Fund the amounts necessary to permit these claims to be paid in equal installments along with other State aid payments remaining to be made for the 1983-1984 school year under this Section.

(3) For any school district whose 1986 equalized assessed valuation is at least 6% less than its 1985 equalized assessed valuation as the result of a reduction in the equalized assessed valuation of the taxable property

within such district of any one taxpayer whose taxable property within the district has a 1985 equalized assessed valuation constituting at least 25% of the 1985 equalized assessed valuation of all taxable property within the district, the 1987-88 State aid of such district shall be computed using its 1986 equalized assessed valuation.

(e) The amount of State aid shall be computed under the provisions of subsections 5(a) through 5(d) provided the equalized assessed valuation per weighted ADA pupil is less than .87 of the amounts in subsection 5(a). If the equalized assessed valuation per weighted ADA pupil is equal to or greater than .87 of the amounts in subsection 5(a), the State aid shall be computed under the provisions of subsection 5(f).

(f) If the equalized assessed valuation per weighted ADA pupil is equal to or greater than .87 of the amounts in subsection 5(a), the State aid per weighted ADA pupil shall be computed by multiplying the product of .13 times the maximum per pupil amount computed under the provisions of subsections 5(a) through 5(d) by an amount equal to the quotient of .87 times the equalized assessed valuation per weighted ADA pupil in subsection 5(a) for that type of district divided by the district equalized valuation per weighted ADA pupil except in no case shall the district receive State aid per weighted ADA pupil of less than .07 times the maximum per pupil amount computed under the provisions of subsections 5(a) through 5(d).

(g) In addition to the above grants, summer school grants shall be made based upon the calculation as provided in subsection 4 of this Section.

(h) The board of any district receiving any of the grants provided for in this Section may apply those funds to any fund so received for which that board is authorized to make expenditures by law.

(i) (1) (a) In school districts with an average daily

attendance of 50,000 or more, the amount which is provided under subsection 1(n) of this Section by the application of a base Chapter 1 weighting factor of .375 shall be distributed to the attendance centers within the district in proportion to the number of pupils enrolled at each attendance center who are eligible to receive free or reduced-price lunches or breakfasts under the federal Child Nutrition Act of 1966, as amended, and under the National School Lunch Act, as amended, during the immediately preceding school year. The amount of State aid provided under subsection 1(n) of this Section by the application of the Chapter 1 weighting factor in excess of .375 shall be distributed to the attendance centers within the district in proportion to the total enrollment at each attendance center. Beginning with school year 1989-90, and each school year thereafter, all funds provided under subsection 1 (n) of this Section by the application of the Chapter 1 weighting factor which are in excess of the level of non-targeted Chapter 1 funds in school year 1988-89 shall be distributed to attendance centers, and only to attendance centers, within the district in proportion to the number of pupils enrolled at each attendance center who are eligible to receive free or reduced price lunches or breakfasts under the Federal Child Nutrition Act, as amended, and under the National School Lunch Act, as amended, during the immediately preceding school year. Beginning in school year 1989-90, 25% of the previously non-targeted Chapter 1 funds as established for school year 1988-89 shall also be distributed to the attendance centers, and only to attendance centers, in the district in proportion to the number of pupils enrolled at each attendance center who are eligible to receive free or reduced price lunches or breakfasts under the Federal Child Nutrition Act, as amended, and under the National School Lunch Act, as amended, during the immediately preceding school year; in school year 1990-91, 50% of the previously non-targeted Chapter 1 funds as established for school year

1988-89 shall be distributed to attendance centers, and only to attendance centers, in the district in proportion to the number of pupils enrolled at each attendance center who are eligible to receive such free or reduced price lunches or breakfasts during the immediately preceding school year; in school year 1991-92, 75% of the previously non-targeted Chapter 1 funds as established for school year 1988-89 shall be distributed to attendance centers, and only to attendance centers, in the district in proportion to the number of pupils enrolled at each attendance center who are eligible to receive such free or reduced price lunches or breakfasts during the immediately preceding school year; in school year 1992-93 and thereafter, all funds provided under subsection 1 (n) of this Section by the application of the Chapter 1 weighting fact r shall be distributed to attendance centers, and only to attendance centers, in the district in proportion to the number of pupils enrolled at each attendance center who are eligible to receive free or reduced price lunches or breakfasts under the Federal Child Nutrition Act, as amended, and under the National School Lunch Act, as amended, during the immediately preceding school year; provided, however, that the distribution formula in effect beginning with school year 1989-90 shall not be applicable to such portion of State aid provided under subsection 1 (n) of this Section by the application of the Chapter 1 weighting formula as is set aside and appropriated by the school district for the purpose of providing desegregation programs and related transportation to students (which portion shall not exceed 5% of the total amount of State aid which is provided under subsection 1 (n) of this Section by application of the Chapter 1 weighting formula), and the relevant percentages shall be applied to the remaining portion of such State aid. The distribution of these portions of general State aid among attendance centers according to these requirements shall not be compensated for or contravened by adjustments of the total

of other funds appropriated to any attendance centers. Provided, however, the average per-pupil expenditure for any attendance center in the district shall not be less than 90% of the average per-pupil expenditure for that attendance center for the preceding school year. (b) No attendance center shall suffer a reduction in its per pupil support as a result of the distribution formula provided herein. The Board of Education shall utilize funding from one or several sources in order to fully implement this provision annually prior to the opening of school. The Board of Education shall apply savings from reduced administrative costs required under Section 34-43.1 of this amendatory Act of 1988 and growth in non-Chapter 1 State and local funds to assure that all attendance centers receive funding to replace losses due to redistribution of Chapter 1 funding. The distribution formula and funding to replace losses due to the distribution formula shall occur, in full, using any and all sources available, including, if necessary, revenue from administrative reductions beyond those required in Section 34-43.1, in order to provide the necessary funds. (c) Each attendance center shall be provided by the school district a distribution of noncategorical funds and other categorical funds to which an attendance center is entitled under law in order that the State aid provided by application of the Chapter 1 weighting factor and required to be distributed among attendance centers according to the requirements of this paragraph supplements rather than supplants the noncategorical funds and other categorical funds provided by the school district to the attendance centers. This requirement shall be applicable to State Title 1 aid on the following schedule: 20% in school year 1989-90; 40% in school year 1990-91; 60% in school year 1991-92; 80% in school year 1992-93; and 100% in school year 1993-94 and thereafter. Chapter 1 funds (except those funds set aside for desegregation programs and related transportation to

students) shall be used on the schedule cited in this Section at the attendance center at the discretion of the principal and local school council for programs to improve educational opportunities at qualifying schools through the following programs and services: early childhood education, reduced class size or improved adult to student classroom ratio, enrichment programs, remedial assistance, attendance improvement and other educationally beneficial expenditures which supplement the regular and basic programs as determined by the State Board of Education. (d) Each district subject to the provisions of this paragraph shall submit an acceptable plan to meet the educational needs of disadvantaged children, in compliance with the requirements of this paragraph, to the State Board of Education prior to December 1 of each year. This plan shall be consistent with the decisions of local school councils concerning the school expenditure plans developed in accordance with part 4 of Section 34-2.3. The State Board shall approve or reject the plan within 30 days after its submission. If the plan is rejected the district shall give written notice of intent to modify the plan within 15 days of the notification of rejection and then submit a modified plan within 30 days after the date of the written notice of intent to modify.

Upon notification by the State Board of Education that the district has not submitted a plan prior to October 30 or a modified plan within the time period specified herein, the regional superintendent shall withhold the State aid funds affected by said plan or modified plan until a plan or modified plan is submitted.

If the district fails to distribute State aid to attendance centers in accordance with an approved plan, the plan for the following year shall allocate funds, in addition to the funds otherwise required by this subparagraph, to those attendance centers which were underfunded during the previous year in amounts equal to such underfunding.

The State Board of Education shall promulgate rules and regulations to implement the provisions of this subsection 5(i)(1). No funds shall be released under subsection 1(n) of this Section or under this subsection 5(i)(1) to any district which has not submitted a plan which has been approved by the State Board of Education.

(2) School districts with an average daily attendance of more than 1,000 and less than 50,000 and having a low income pupil weighting factor in excess of .53 shall submit a plan to the State Board of Education prior to October 30 of each year for the use of the funds resulting from the application of subsection 1(n) of this Section for the improvement of instruction in which priority is given to meeting the education needs of disadvantaged children. Such plan shall be submitted in accordance with rules and regulations promulgated by the State Board of Education.

(j) For the purposes of calculating State aid under this Section, with respect to any part of a school district within a redevelopment project area in respect to which a municipality has adopted tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11 of the Illinois Municipal Code, no part of the current equalized assessed valuation of real property located in any such project area which is attributable to an increase above the total initial equalized assessed valuation of such property shall be used in computing the equalized assessed valuation per weighted ADA pupil in the district, until such time as all redevelopment project costs have been paid, as provided in Section 11-74.4-8 of that Act. For the purpose of computing the equalized assessed valuation per weighted ADA pupil in the district the total initial equalized assessed valuation or the current equalized assessed valuation, whichever is lower, shall be used until such time as all redevelopment project costs have been paid.

(k) For a school district operating under the financial supervision of an Authority created under Article 34A, the State aid otherwise payable to that district under this Section, other than State aid attributable to Chapter 1 students, shall be reduced by an amount equal to the budget for the operations of the Authority as certified by the Authority to the State Board of Education, and an amount equal to such reduction shall be paid to the Authority created for such district for its operating expenses in the manner provided in Section 18-11. The remainder of State school aid for any such district shall be paid in accordance with Article 34A when that Article provides for a disposition other than that provided by this Article.

(l) For purposes of calculating State aid under this Section, the equalized assessed valuation for a school district used to compute State aid shall be determined by adding to the real property equalized assessed valuation for the district an amount computed by dividing the amount of money received by the district under the provisions of "An Act in relation to the abolition of ad valorem personal property tax and the replacement of revenues lost thereby", certified August 14, 1979, by the total tax rate for the district. For purposes of this subsection 1976 tax rates shall be used for school districts in the county of Cook and 1977 tax rates shall be used for school districts in all other counties.

(m) For a new school district formed by combining property included totally within 2 or more previously existing school districts, for its first year of existence or if the new district was formed after October 31, 1982 and prior to September 23, 1985, for the year immediately following September 23, 1985, the State aid calculated under this Section shall be computed for the new district and for the previously existing districts for which property is totally included within the new district. If the computation

on the basis of the previously existing districts is greater, a supplementary payment equal to the difference shall be made for the first 3 years of existence of the new district or if the new district was formed after October 31, 1982 and prior to September 23, 1985, for the 3 years immediately following September 23, 1985. For a school district which annexes all of the territory of one or more entire other school districts, for the first year during which the change of boundaries attributable to such annexation becomes effective for all purposes as determined under Section 7-9, the State aid calculated under this Section shall be computed for the annexing district as constituted after the annexation and for the annexing and each annexed district as constituted prior to the annexation. If the computation on the basis of the annexing and annexed districts as constituted prior to the annexation is greater, a supplementary payment equal to the difference shall be made for the first 3 years of existence of the annexing school district as constituted upon such annexation. Any such supplementary State aid payment shall be treated as separate from all other payments made pursuant to this Section. If a unit school district annexes all the territory of another unit school district effective for all purposes pursuant to Section 7-9 on July 1, 1988, and if part of the annexed territory is detached within 90 days after July 1, 1988, then the detachment shall be disregarded in computing the supplementary State aid payments under this paragraph (m) for the entire 3 year period and the supplementary State aid payments shall not be diminished because of the detachment.

(n) For the purposes of calculating State aid under this Section, the real property equalized assessed valuation for a school district used to compute State aid shall be determined by subtracting from the real property value as equalized or assessed by the Department of Revenue for the district an amount computed by dividing the amount of any abatement of

taxes under Section 162e of the Revenue Act of 1939 by the maximum operating tax rates specified in subsection 5(c) of this Section.

(o) With respect only to the 1985-1986 and the 1986-1987 school years, a supplementary payment shall be made for any such school year to any school district maintaining grades kindergarten through 8 only whose general state aid entitlement for that school year increases when utilizing operating tax rates of 1.90% for school districts maintaining grades kindergarten through 8, 1.10% for school districts maintaining grades 9 through 12, and 2.92% for school districts maintaining grades kindergarten through 12 with guaranteed equalized assessed valuation equal to $72,046 per weighted ADA pupil for districts maintaining grades kindergarten through 12, with guaranteed equalized assessed valuation equal to $110,723 per weighted ADA pupil for districts maintaining grades kindergarten through 8, and with guaranteed equalized assessed valuation equal to $191,248 per weighted ADA pupil for districts maintaining grades 9 through 12. The State Board of Education shall adjust the equalized assessed valuation amounts stated in this subsection, if necessary to conform to the amount of the appropriation approved. If the money appropriated by the General Assembly for a supplementary payment required to be made pursuant to this subsection is insufficient, it shall be apportioned on the basis of the computed increases for the school year with respect to which such appropriation is made.

B. In calculating the amount to be paid to the governing board of a public university which operates a laboratory school under this Section during the 1981-82 school year and thereafter, the State Board of Education shall require by rule such reporting requirements for the laboratory school by the public university as it deems necessary to determine the number of students who are residents of a district but attend school at a public university laboratory school. The State

Board of Education shall then calculate the difference in the amount of aid the various school districts would be paid under Part A of this Section without counting such students in any way and the amount of aid the districts would be paid if the students attending such laboratory schools were included in the weighted average daily attendance of those districts. Upon request made by the governing board of the public university which conducts the laboratory school, the State Board shall pay the amount of such difference from moneys appropriated for the purposes of this Section to the governing board of the public university which conducts the laboratory school. As used in this Section, "laboratory school" means a public school in actual operation on the effective date of this amendatory Act which is created and operated by a public university and approved by the State Board of Education. The governing board of a public university which receives funds from the State Board under this paragraph may not increase the number of students enrolled in its laboratory school from a single district, if that district is already sending 50 or more students, except under a mutual agreement between the school board of a student's district of residence and the university which operates the laboratory school. A laboratory school may not have more than 1,000 students, excluding handicapped students in a special education program. Nothing in Part B of this Section shall affect the right of school districts to claim aid for weighted average daily attendance reported under Part A which have contracted to pay a university for weighted average daily attendance prior to July 1, 1981.

C. In calculating the amount to be paid under this Section to a Regional Superintendent of Schools who operates an alternative school during the 1983-84 school year and thereafter, the State Board of Education shall require by rule such reporting requirements for the alternative school by the Regional Superintendent of Schools as it deems

necessary to determine the number of students who are residents of a district but attend school at such alternative school. The State Board of Education shall then calculate the difference in the amount of aid the various school districts would be paid under Part A of this Section without counting such students in any way and the amount of aid the districts would be paid if the best 3 months average daily attendance of students attending such alternative schools were included in the weighted average daily attendance of those districts. Upon request made by the Regional Superintendent of Schools for such alternative school, the State Board shall pay the amount of such difference from moneys appropriated for the purposes of this Section to the Regional Superintendent of Schools for such alternative school. As used in this Section, "alternative school" means a public school in actual operation on the effective date of this amendatory Act of 1983 which is created and operated by a Regional Superintendent of Schools and approved by the State Board of Education, or any new alternative school which is operated by any Regional Superintendent of Schools after securing approval of such alternative school from the State Board of Education. Such alternative schools may offer courses of instruction for which credit is given in regular school programs, courses to prepare students for the high school equivalency testing program or vocational and occupational training.

For any alternative school operated by a Regional Superintendent to be eligible for State aid under this provision, every school district that sends students to such school must approve the application of the Regional Superintendent for State school aid for such students. P.A. 85-1440.

(Ch. 122, par. 24A-3)

Sec. 24A-3. Evaluation training. Beginning January 1, 1986, school boards shall require those administrators, or --

in school districts having a population exceeding 500,000 -- assistant principals, who evaluate other certified personnel to participate at least once every 2 years in an inservice workshop on evaluation of certified personnel provided by the State Board of Education. P.A. 85-1418.

(Ch. 122, par. 24A-5)

Sec. 24A-5. Content of evaluation plans. Each school district to which this Article applies shall establish a teacher evaluation plan which ensures that each teacher in contractual continued service is evaluated at least once in the course of every 2 school years, beginning with the 1986-87 school year.

The evaluation plan shall comply with the requirements of this Section and of any rules adopted by the State Board of Education pursuant to this Section.

The plan shall include a description of each teacher's duties and responsibilities and of the standards to which that teacher is expected to conform.

The plan may provide for evaluation of personnel whose positions require administrative certification by independent evaluators not employed by or affiliated with the school district. The results of the school district administrators' evaluations shall be reported to the employing school board, together with such recommendations for remediation as the evaluator or evaluators may deem appropriate.

Evaluation of teachers whose positions do not require administrative certification shall be conducted by an administrator qualified under Section 24A-3, or -- in school districts having a population exceeding 500,000 -- by either an administrator qualified under Section 24A-3 or an assistant principal under the supervision of an administrator qualified under Section 24A-3, and shall include at least the following components:

(a) personal observation of the teacher in the classroom (on at least 2 different school days in school districts

having a population exceeding 500,000) by a district administrator qualified under Section 24A-3, or -- in school districts having a population exceeding 500,000 -- by either an administrator qualified under Section 24A-3 or an assistant principal under the supervision of an administrator qualified under Section 24A-3, unless the teacher has no classroom duties.

(b) consideration of the teacher's attendance, planning, and instructional methods, classroom management, where relevant, and competency in the subject matter taught, where relevant.

(c) rating of the teacher's performance as "excellent", "satisfactory" or "unsatisfactory".

(d) specification as to the teacher's strengths and weaknesses, with supporting reasons for the comments made.

(e) inclusion of a copy of the evaluation in the teacher's personnel file and provision of a copy to the teacher.

(f) within 30 days after completion of an evaluation rating a teacher as "unsatisfactory", development and commencement by the district, or by the subdistrict superintendent, an administrator qualified under Section 24A-3 or an assistant principal under the supervision of an administrator qualified under Section 24A-3 in school districts having a population exceeding 500,000, of a remediation plan designed to correct deficiencies cited, provided the deficiencies are deemed remediable. In school districts having a population exceeding 500,000 the remediation plan for unsatisfactory, tenured teachers shall provide for 45 days of school remediation within the classroom. Additional remediation, up to one year (inclusive of the 45 days), may be provided only in those cases where at the termination of the 45 day in-class remediation, the principal and consulting teacher provided for herein determine (based on the teacher's progress) that the teacher

may be remediable, but such additional remediation shall create no presumption of remediability and may be terminated at any time after 45 or 90 days by the principal. The principal and consulting teacher shall determine if the additional remediation time shall be conducted within or outside of the assigned classroom.

(g) participation in the remediation plan by the teacher rated "unsatisfactory", a district administrator qualified under Section 24A-3 (or -- in a school district having a population exceeding 500,000 -- an administrator qualified under Section 24A-3 or an assistant principal under the supervision of an administrator qualified under Section 24A-3), and a consulting teacher, selected by the participating administrator or by the principal, or -- in school districts having a population exceeding 500,000 -- by an administrator qualified under Section 24A-3 or by an assistant principal under the supervision of an administrator qualified under Section 24A-3, of the teacher who was rated "unsatisfactory", which consulting teacher is an educational employee as defined in the Educational Labor Relations Act, has at least 5 years' teaching experience and a reasonable familiarity with the assignment of the teacher being evaluated, and who received an "excellent" rating on his or her most recent evaluation. Where no teachers who meet these criteria are available within the district, the district shall request and the State Board of Education shall supply, to participate in the remediation process, an individual who meets these criteria.

In a district with an exclusive bargaining agent, the bargaining agent may, if it so chooses, supply a roster of qualified teachers from whom the consulting teacher is to be selected. That roster shall, however, contain the names of at least 5 teachers, each of whom meets the criteria for consulting teacher with regard to the teacher being evaluated, or the names of all teachers so qualified if that

number is less than 5. In the event of a dispute as to qualification, the State Board shall determine qualification.

(h) quarterly evaluations and ratings for one year immediately following receipt of an "unsatisfactory" rating of a teacher for whom a remediation plan has been developed; provided that in school districts having a population exceeding 500,000 there shall be monthly evaluations and ratings for the first 6 months and quarterly evaluations and ratings for the next 6 months immediately following completion of the remediation program of a teacher for whom a remediation plan has been developed. These subsequent evaluations shall be conducted by the participating administrator, or -- in school districts having a population exceeding 500,000 -- by either the principal or by an assistant principal under the supervision of an administrator qualified under Section 24A-3. The consulting teacher shall provide advice to the teacher rated "unsatisfactory" on how to improve teaching skills and to successfully complete the remediation plan. The consulting teacher shall participate in developing the remediation plan, but the final decision as to the evaluation shall be done solely by the administrator, or -- in school districts having a population exceeding 500,000 -- by either the principal or by an assistant principal under the supervision of an administrator qualified under Section 24A-3, unless an applicable collective bargaining agreement provides to the contrary.

(i) in school districts having a population of less than 500,000, reinstatement to a schedule of biennial evaluation for any teacher who completes the 1-year remediation plan with a "satisfactory" or better rating, unless the district's plan regularly requires more frequent evaluations; and in school districts having a population exceeding 500,000, reinstatement to a schedule of biennial evaluation for any teacher who completes the 45 school day remediation plan or extended plan of up to one year with a "satisfactory" or

better rating and the one year intensive review schedule as provided in paragraph (h) of this Section with a "satisfactory" or better rating, unless such district's plan regularly requires more frequent evaluations.

(j) dismissal in accordance with Section 24-12 or 34-85 of The School Code of any teacher who fails to complete any applicable remediation plan with a "satisfactory" or better rating. Districts and teachers subject to dismissal hearings are precluded from compelling the testimony of consulting teachers at such hearings under Section 24-12 or 34-85, either as to the rating process or for opinions of performances by teachers under remediation.

In districts subject to a collective bargaining agreement as of August 1, 1985, the provisions of this Section shall go into effect only upon expiration of that agreement. Thereafter, collectively bargained evaluation plans shall at a minimum meet the standards of this Article. If such a district has an evaluation plan, however, whether pursuant to the collective bargaining agreement or otherwise, a copy of that plan shall be submitted to the State Board of Education for review and comment, in accordance with Section 24A-4.

Nothing in this Section shall be construed as preventing immediate dismissal of a teacher for deficiencies which are deemed irremediable or for actions which are injurious to or endanger the health or person of students in the classroom or school. Failure to strictly comply with the time requirements contained in Section 24A-5 shall not invalidate the results of the remediation plan. P.A. 85-1418.

(Ch. 122, par. 34-1.01)

Sec. 34-1.01. Intent. The General Assembly has previously established that the primary purpose of schooling is the transmission of knowledge and culture through which children learn in areas necessary to their continuing development, and the General Assembly has defined these areas as including language arts, mathematics, biological,

physical and social sciences, the fine arts, and physical development and health. The General Assembly declares its intent to achieve the primary purpose of schooling in elementary and secondary schools subject to this Article, as now or hereafter amended, in cities of over 500,000 inhabitants, through the provisions of this amendatory Act of 1988.

A. Goals. In the furtherance of this intent, the General Assembly is committed to the belief that, while such urban schools should foster improvement and student growth in a number of areas, first priority should be given to achieving the following goals:

1. assuring that students achieve proficiency in reading, writing, mathematics, and higher order thinking that equals or surpasses national norms;

2. assuring that students attend school regularly and graduate from high school at rates that equal or surpass national norms;

3. assuring that students are adequately prepared for further education and aiding students in making a successful transition to further education;

4. assuring that students are adequately prepared for successful entry into employment and aiding students in making a successful transition to employment;

5. assuring that students are, to the maximum extent possible, provided with a common learning experience that is of high academic quality and that reflects high expectations for all students' capacities to learn;

6. assuring that students are better prepared to compete in the international market place by having foreign language proficiency and stronger international studies;

7. assuring that students are encouraged in exploring potential interests in fields such as journalism, drama, art and music;

8. assuring that individual teachers are granted the

professional authority to make decisions about instruction and the method of teaching;

9. assuring that students are provided the means to express themselves creatively and to respond to the artistic expression of others through the visual arts, music, drama and dance; and

10. assuring that students are provided adequate athletic programs that encourage pride and positive identification with the attendance center and that reduce the number of dropouts and teenage delinquents.

B. Achieving goals. To achieve these priority goals, the General Assembly intends to make the individual local school the essential unit for educational governance and improvement and to establish a process for placing the primary responsibility for school governance and improvement in furtherance of such goals in the hands of parents, community residents, teachers, and the school principal at the school level.

Further, to achieve these priority goals, the General Assembly intends to lodge with the board of education key powers in limited areas, so that the board of education supports school-level governance and improvement and carries out functions that can be performed more efficiently through centralized action.

The General Assembly does not intend to alter or amend the provisions of the desegregation obligations of the board of education, including but not limited to the Consent Decree or the Desegregation Plan in United States v. Chicago Board of Education, 80 C 5124, U.S. District Court for the Northern District of Illinois. Accordingly, the implementation of this amendatory Act of 1988, to the extent practicable, shall be consistent with and, in all cases, shall be subject to the desegregation obligations pursuant to such Consent Decree and Desegregation Plan. P.A. 85-1418.

(Ch. 122, par. 34-1.02)

Sec. 34-1.02. Educational reform. The General Assembly hereby finds and declares that educational reform in school districts organized under this Article shall be implemented in such manner that:

1. the percentage of entering freshmen who 4 years later graduate from 12th grade from each high school attendance center within the district in each of the 1989-90, 1990-91, 1991-92, 1992-93 and 1993-94 school years exceeds by at least 5% the percentage of similar students graduating from that high school attendance center in the immediately preceding school year;

2. the average daily student attendance rate within the district in each of the 1989-90, 1990-91, 1991-92, 1992-93 and 1993-94 school years exceeds by at least 1% the average daily student attendance rate within the district for the immediately preceding school year;

3. by the conclusion of the 1993-1994 school year, the percentage of students within the district failing and not advancing to the next higher grade or graduating is at least 10% less than the percentage of students within the district failing and not advancing to the next higher grade or graduating at the conclusion of the 1987-88 school year;

4. by the conclusion of the 1993-94 school year, at least 50% of all students--regardless of race, ethnicity, gender or income status--in each attendance center within the district score at or above the national norm on a standardized test; and

5. appropriate improvement and progress are realized each school year in each attendance center within the district, when compared to the performance of such attendance center during the immediately preceding school year, in advancing toward and achieving the objectives established by paragraphs 1 through 4 of this Section. P.A. 86-124.

(Ch. 122, par. 34-1.1)

Sec. 34-1.1. Definitions. As used in this Article:

"School Board Nominating Commission" means the nominating commission established under Section 34-3.1.

"Subdistrict Council" means a subdistrict council established under Section 34-2.5.

"Local School Council" means a local school council established under Section 34-2.1.

"School" and "attendance center" are used interchangeably to mean any attendance center operated pursuant to this Article and under the direction of one principal.

"Multi-area school" means an attendance center which draws and admits students from more than a single attendance area based upon designated selection criteria approved by the board, except that any such attendance center which has a local attendance area established by the board shall not be deemed a multi-area school.

"Subdistrict" means a geographic area of the school district formed by boundaries which are coterminous with the boundaries of any one of the elementary or high school administrative subdistricts into which the city is divided, as those elementary or high school administrative subdistrict boundaries existed on January 1, 1988, or as those subdistrict boundaries hereafter are changed by the board as provided in paragraph 7 of Section 34-18.

"Parent" means a parent or legal guardian of an enrolled student of an attendance center.

"Community resident" means a person, 18 years of age or older, residing within an attendance area served by a school, excluding any person who is a parent of a student enrolled in that school.

"School staff" means all certificated and uncertificated school personnel, including all teaching and administrative staff (other than the principal) and including all custodial, food service and other civil service employees, who are employed at and assigned to perform the majority of their employment duties at one attendance center served by the same

local school council.

"Supernumerary teacher" means a teacher, not on an administrative payroll, who has a rating of "satisfactory" or better and whose service is no longer required because of a decrease in student membership, a change in subject requirements within the attendance center organization, or the closing of an attendance center. P.A. 86-124.

(Ch. 122, par. 34-2.1)

Sec. 34-2.1. Local School Councils - Composition - Election - Terms. (a) A local school council shall be established for each attendance center within the school district. Each local school council shall consist of the principal of the attendance center served by the local school council and 10 elected members, 6 of whom shall be parents of students currently enrolled at the attendance center served by the local school council except that the parents shall not be employees of the Board of Education, 2 of whom shall be community residents residing within the attendance area established for the attendance center served by the local school council except that the community residents shall not be employees of the Board of Education, and 2 of whom shall be teachers employed at the attendance center served by the local school council elected by the entire school staff. The elected members of the council shall be elected for two year terms; provided, however, that in each secondary attendance center, one full-time student shall be elected annually by the students as a non-voting student member of the local school council of the attendance center. The membership of each local school council shall be encouraged to be reflective of the racial and ethnic composition of the student population of the attendance center served by the local school council.

(b) Only parents of students enrolled at the attendance center served by the local school council shall be eligible to vote for the parents to be elected to that local school

council, only school staff employed at the attendance center served by a local school council shall be eligible to vote for the teachers to be elected to that local school council, and only community residents residing within the attendance area established for the attendance center served by a local school council shall be eligible to vote for the community residents to be elected to that local school council; provided, however, that with respect to community residents to be elected to the local school council of a multi-area school, only the parents of students enrolled at that multi-area school, the principal of such multi-area school and the school staff employed at such multi-area school shall be eligible to vote for the community residents to be elected to the local school council serving that multi-area school. The community residents elected shall, to the extent possible, reflect the racial diversity of the student body of that school.

Each person eligible to vote for an office on the local school council to be filled at an election is entitled to vote for as many candidates as are to be elected to fill that office.

(c) Beginning with the 1989-1990 school year and in every odd-numbered year thereafter, the Board shall set a date, not later than the 6th week of the school year, for Local School Council elections.

(d) The elections held for the 1989-1990 school year shall be conducted in the manner provided herein, by the Local School Improvement Council in existence at each attendance center, as of September 1, 1989 or if no council exists, by the principal. Thereafter, elections shall be conducted as provided herein, by the Local School Council at each attendance center.

(e) The Council shall publicize the date and place of the election by posting notices at the attendance center, in public places within the attendance boundaries of the

attendance center and by distributing notices to the pupils at the attendance center, and shall utilize such other means as it deems necessary to maximize the involvement of all eligible voters.

(f) Nomination. The Council shall publicize the opening of nominations by posting notices at the attendance center, in public places within the attendance boundaries of the attendance center and by distributing notices to the pupils at the attendance center, and shall utilize such other means as it deems necessary to maximize the involvement of all eligible voters. Not less than 2 weeks before the election date, persons eligible to run for the Council shall submit their name and some evidence of eligibility to the Council. The Council shall encourage nomination of candidates reflecting the racial/ethnic population of the students at the attendance center. Each person nominated who runs as a candidate shall disclose, in a manner determined by the Board, any economic interest held by such person, by such person's spouse or children, or by each business entity in which such person has an ownership interest, in any contract with the Board, any subdistrict, any local school council or any public school in the school district. Failure to make such disclosure shall render a person ineligible for election to the local school council. The same disclosure shall be required of persons under consideration for appointment to the Council pursuant to subsections (l) and (m) of this Section.

(g) At least one week before the election date, the Council shall publicize, in the manner provided in subsection (e), the names of persons nominated for election.

(h) Voting shall be in person by secret ballot at the attendance center between the hours of 6:00 a.m. and 7:00 p.m.

(i) Candidates receiving the highest number of votes shall be declared elected by the Council. In cases of a tie,

the Council shall determine the winner by lot.

(j) The Council shall certify the results of the election and shall publish the results in the minutes of the Council.

(k) The subdistrict superintendent shall resolve any disputes concerning election procedure or results and shall ensure that, except as provided in subsections (e) and (g), no resources of any attendance center shall be used to endorse or promote any candidate.

(l) In the event that a vacancy occurs during a member's term the Council shall appoint a person eligible to serve on the Council, to fill the unexpired term created by the vacancy.

(m) If less than the minimum number of persons eligible are elected, the Council shall appoint eligible persons to serve as members of the Council for two years.

(n) The Board shall promulgate rules regarding conflicts of interest and disclosure of economic interests which shall apply to local school council members and which shall require reports or statements to be filed by Council members at regular intervals. Failure to comply with such rules or intentionally falsifying such reports may be grounds for disqualification from local school council membership. A vacancy on the Council for disqualification may be so declared by the subdistrict superintendent.

(o) The Board may promulgate such other rules and regulations for election procedures as may be deemed necessary to ensure fair elections. P.A. 86-124.

(Ch. 122, par. 34-2.1b)

Sec. 34-2.1b. At the first meeting of the Local School Council after the election of members, but no later than the first Monday in November, the members of the Local School Council shall elect one of the parent members or community members to serve as the Council's representative on the Subdistrict Council. The member elected as representative

shall serve in such capacity so long as he or she is a member of the Local School Council during his or her then current term. A vacancy in the office of representative shall be filled in like manner for the unexpired term. P.A. 85-1418.

(Ch. 122, par. 34-2.2)

Sec. 34-2.2. Local school councils - Manner of operation. (a) The annual organizational meeting of each local school council shall be held at the attendance center within 7 days after each local school council election. At the annual organizational meeting in each odd-numbered year a parent member of the local school council shall be elected by the members of such council as its chairperson, and a secretary shall be elected by the members of such council from among their number, each to serve terms of two years. Whenever a vacancy in the office of chairperson or secretary of a local school council shall occur, a new chairperson (who shall be a parent member) or secretary, as the case may be, shall be elected by the members of the local school council from among their number to serve as such chairperson or secretary for the unexpired term of office in which the vacancy occurs. At each annual organizational meeting, the time and place of any regular meetings of the local school council shall be fixed. Special meetings of the local school council may be called by the chairperson or by any 4 members by giving notice thereof in writing, specifying the time, place and purpose of the meeting. Public notice of meetings shall also be given in accordance with the Open Meetings Act.

(b) Members and officers of the local school council shall serve without compensation and without reimbursement of any expenses incurred in the performance of their duties, except that the board of education may by rule establish a procedure and thereunder provide for reimbursement of members and officers of local school councils for such of their reasonable and necessary expenses (excluding any lodging or meal expenses) incurred in the performance of their duties as

the board may deem appropriate.

(c) A majority of the full membership of the local school council shall constitute a quorum, and whenever a vote is taken on any measure before the local school council, a quorum being present, the affirmative vote of a majority of the votes of the full membership then serving of the local school council shall determine the outcome thereof; provided that whenever the measure before the local school council is (i) the evaluation of the principal, or (ii) the renewal of his or her performance contract or the inclusion of any provision or modification of the contract, or (iii) the direct selection by the local school council of a new principal to serve under a 4 year performance contract or to fill a vacancy, or (iv) the determination of the names of candidates to be submitted to the subdistrict superintendent for the position of principal, or (v) the selection of a principal in cases of the subdistrict superintendent's failure or refusal to make the selection after a list or lists of candidates for the position of principal have been submitted by the local school council to the subdistrict superintendent as provided in Section 34-2.3, the principal shall not be counted for purposes of determining whether a quorum is present to act on the measure and shall have no vote thereon; and provided further that 7 affirmative votes of the local school council shall be required for the direct selection by the local school council -- without the prior submission of a list of candidates to the subdistrict superintendent for the position of principal as provided in Section 34-2.3 -- of a new principal to serve under a 4 year performance contract or to fill a vacancy but not for the renewal of a principal's performance contract. P.A. 85-1418.

(Ch. 122, par. 34-2.3)

Sec. 34-2.3. Local school councils - Powers and duties. Each local school council shall have and exercise, consistent with the provisions of this Article and the powers and duties

of subdistrict councils and the board of education, the following powers and duties:

1. To evaluate the performance of the principal of the attendance center taking into consideration the annual evaluation of the principal conducted by the subdistrict superintendent pursuant to subsection (h) of Section 34-8.3, to determine in the manner provided by subsection (c) of Section 34-2.2 whether the performance contract of the principal shall be renewed, and to directly select in the manner provided by subsection (c) of Section 34-2.2 a new principal -- without submitting any list of candidates for that position to the subdistrict superintendent as provided in paragraph 2 of this Section -- to serve under a 4 year performance contract or to fill a vacancy; provided that (i) the determination of whether the principal's performance contract is to be renewed and -- in cases where such performance contract is not renewed -- a direct selection of a new principal to serve under a 4 year performance contract shall be made by the local school council by April 15 of the calendar year in which the current performance contract of the principal expires, and (ii) a direct selection by the local school council of a new principal to fill a vacancy shall be made within 90 days after the date such vacancy occurs.

2. In the event (i) the local school council does not renew the performance contract of the principal, or the principal is removed for cause during the term of his or her performance contract in the manner provided by Section 34-85, or a vacancy in the position of principal otherwise occurs prior to the expiration of the term of a principal's performance contract, and (ii) the local school council fails to directly select a new principal to serve under a 4 year performance contract or to fill a vacancy, the local school council in such event shall submit to the subdistrict superintendent a list of 3 candidates -- listed in the local

school council's order of preference -- for the position of principal, one of which shall be selected by the subdistrict superintendent to serve as principal of the attendance center. If the subdistrict superintendent fails or refuses to select one of the candidates on the list to serve as principal within 30 days after being furnished with the candidate list, the local school council within 15 days after such failure or refusal shall itself select one of the candidates from the list as principal of the attendance center. There shall be no discrimination on the basis of race, sex, creed, color or disability unrelated to ability to perform in connection with the submission of candidates for, and the selection of a candidate to serve as principal of an attendance center. No person shall be directly selected, listed as a candidate for, or selected to serve as principal of an attendance center unless such person holds a valid administrative certificate issued or exchanged under Article 21 and endorsed as required by that Article for the position of principal. A principal whose performance contract is not renewed as provided under subsection (c) of Section 34-2.2 may nevertheless, if otherwise qualified and certified as herein provided, be included by a local school council as one of the 3 candidates listed in order of preference on any candidate list from which one person is to be selected to serve as principal of the attendance center under a new performance contract. The initial candidate list required to be submitted by a local school council to the subdistrict superintendent in cases where the local school council does not renew the performance contract of its principal and does not directly select a new principal to serve under a 4 year performance contract shall be submitted not later than May 1 of the calendar year in which such performance contract expires. In cases where a principal is removed for cause or a vacancy otherwise occurs in the position of principal and the vacancy is not filled by direct selection by the local

school council, the candidate list shall be submitted by the local school council to the subdistrict superintendent not later than 90 days after the date such removal or vacancy occurs.

3. To establish additional criteria to be included as part of the performance contract of its principal, provided that such additional criteria shall not discriminate on the basis of race, sex, creed, color or disability unrelated to ability to perform, and shall not be inconsistent with the uniform 4 year performance contract for principals developed by the board as provided in Section 34-8.1 of The School Code or with other provisions of this Article governing the authority and responsibility of principals.

4. To approve the expenditure plan prepared by the principal with respect to all funds allocated and distributed to the attendance center by the Board. The expenditure plan shall be administered by the principal.

Beginning in fiscal year 1991 and in each fiscal year thereafter, the Board may reserve up to 1% of its total fiscal year budget for distribution on a prioritized basis to schools throughout the school system in order to assure adequate subdistrict and citywide programs to meet the needs of special student populations as determined by the Board. This distribution shall take into account the needs catalogued in the Systemwide Plan and the various local school improvement plans of the local school councils. Information about these centrally funded programs shall be distributed to the local school councils so that their subsequent planning and programming will account for these provisions.

Beginning in fiscal year 1991 and in each fiscal year thereafter, from other amounts available in the applicable fiscal year budget, the Board shall allocate a lump sum amount to each local school based upon the school enrollment and the special needs of the student body. The local school

principal shall develop an expenditure plan in consultation with the local school council, the professional personnel advisory committee and with all other school personnel, which reflects the priorities and activities as described in the school's local school improvement plan and is consistent with applicable law and collective bargaining agreements; however, the local school council shall have the right to request waivers of board policy from the board of education and waivers of employee collective bargaining agreements. No waiver of collective bargaining agreements shall be allowed unless there is agreement of the unions affected by the proposed waiver.

The expenditure plan developed by the principal with respect to amounts available from the fund for prioritized special needs programs and the allocated lump sum amount must be approved by the local school council.

The lump sum allocation shall be based on the following principles:

a. Quota teachers: Each school shall be allocated funds equal to the amount appropriated in the previous school year for compensation for quota teachers (regular grades kindergarten through 12th grade) plus whatever increases in compensation have been negotiated contractually or through longevity as provided in the negotiated agreement. Adjustments shall be made for enrollment changes from the previous school year and/or to rectify any inconsistencies with system-wide allocation formulas.

b. Other personnel: Funds for other teacher certificated and uncertificated personnel paid through non-categorical funds shall be provided according to system-wide formulas based on student enrollment and the special needs of the school as determined by the Board.

c. Non-compensation items: Appropriations for all non-compensation items shall be based on system-wide formulas based on student enrollment and on the special needs of the

school or factors related to the physical plant, including but not limited to textbooks, supplies, electricity, equipment, and routine maintenance.

d. Funds for categorical programs: Schools shall receive personnel and funds based on, and shall use such personnel and funds in accordance with State and Federal requirements applicable to each categorical program provided to meet the special needs of the student body (including but not limited to, Federal Chapter I, Bilingual, and Special Education).

d.1. Funds for State Title I: Each school shall receive funds based on State and Board requirements applicable to each State Title I pupil provided to meet the special needs of the student body. Each school shall receive the proportion of funds as provided in Section 18-8 to which they are entitled. These funds shall be spent only with the budgetary approval of the Local School Council as provided in Section 34-2.3.

e. The Local School Council shall have the right to request the principal to close positions and open new ones consistent with the provisions of the local school improvement plan provided that these decisions are consistent with applicable law and collective bargaining agreements. If a position is closed, pursuant to this paragraph, the local school shall have for its use the system-wide average compensation for the closed position.

f. Operating within existing laws and collective bargaining agreements, the local school council shall have the right to request the principal to shift expenditures within funds.

g. In those instances where a principal selects a supernumerary teacher whose salary and benefits will cost more in the first year than is available via the lump sum allocation process, the additional funds shall be forthcoming to the attendance center from the Board of Education reserve funds to pay for salary and benefits.

Any funds unexpended at the end of the fiscal year shall be available to the board of education for use as part of its budget for the following fiscal year.

5. To make recommendations to the principal concerning textbook selection, in accordance with Sections 34-8 and 34-18 of The School Code and in conformity with the collective bargaining agreement.

6. To advise the principal concerning the attendance and disciplinary policies for the attendance center, subject to the provisions of this Article and Article 26, and consistent with the uniform system of discipline established by the board pursuant to Section 34-19.

7. To approve a school improvement plan developed as provided in Section 34-2.4. The process and schedule for plan development shall be publicized to the entire school community, and the community shall be afforded the opportunity to make recommendations concerning the plan. At least twice a year the principal and local school council shall report publicly on progress and problems with respect to plan implementation.

8. To evaluate the allocation of teaching resources and other certificated and uncertificated staff to the attendance center to determine whether such allocation is consistent with and in furtherance of instructional objectives and school programs reflective of the school improvement plan adopted for the attendance center; and to make recommendations to the board, the subdistrict superintendent and the principal concerning any reallocation of teaching resources or other staff whenever the council determines that any such reallocation is appropriate because the qualifications of any existing staff at the attendance center do not adequately match or support instructional objectives or school programs which reflect the school improvement plan.

9. To make recommendations to the principal and the subdistrict superintendent concerning their respective

appointments, after August 31, 1989, and in the manner provided by Section 34-8 and Section 34-8.1, of persons to fill any vacant, additional or newly created positions for teachers at the attendance center or at attendance centers which include the attendance center served by the local school council.

10. To request of the Board the manner in which training and assistance shall be provided to the local school council. Pursuant to Board guidelines a local school council is authorized to direct the Board of Education to contract with personnel or not-for-profit organizations not associated with the school district to train or assist council members. If training or assistance is provided by contract with personnel or organizations not associated with the school district, the period of training or assistance shall not exceed 30 hours during a given school year; person shall not be employed on a continuous basis longer than said period and shall not have been employed by the Chicago Board of Education within the preceding six months. Council members shall receive training in at least the following areas:

1. school budgets;

2. educational theory pertinent to the attendance center's particular needs, including the development of the school improvement plan and the principal's performance contract; and

3. personnel selection.

11. In accordance with systemwide guidelines contained in the System-Wide Educational Reform Goals and Objectives Plan, criteria for evaluation of performance shall be established for local school councils and local school council members. If a local school council persists in noncompliance with systemwide requirements, the Board may impose sanctions and take necessary corrective action, consistent with Section 34-8.3.

12. Each local school council shall comply with the Open

Meetings Act and The Freedom of Information Act. Each local school council shall issue and transmit to its school community a detailed annual report accounting for its activities programmatically and financially. Each local school council shall convene at least 2 well-publicized meetings annually with its entire school community. These meetings shall include presentation of the proposed local school improvement plan, of the proposed school expenditure plan, and the annual report, and shall provide an opportunity for public comment.

13. Each local school council is encouraged to involve additional non-voting members of the school community in facilitating the council's exercise of its responsibilities.

14. All decisions made and actions taken by the local school council in the exercise of its powers and duties shall comply with State and federal laws, all applicable collective bargaining agreements, court orders and rules properly promulgated by the Board. P.A. 86-124.

(Ch. 122, par. 34-2.3a)

Sec. 34-2.3a. Recommendations of the Principal. The principal of each attendance center shall be encouraged to make recommendations to the appropriate local school council concerning all educational aspects of the attendance center. P.A. 85-1418.

(Ch. 122, par. 34-2.4)

Sec. 34-2.4. School improvement plan. A 3 year local school improvement plan shall be developed and implemented at each attendance center. This plan shall reflect the overriding purpose of the attendance center to improve educational quality. The local school principal shall develop a school improvement plan in consultation with the local school council, all categories of school staff, parents and community residents. Once the plan is developed and after the local school council has approved the same, the principal shall be responsible for directing implementation of the

plan, and the local school council shall monitor its implementation. After the termination of the initial 3 year plan, a new 3 year plan shall be developed and modified as appropriate on an annual basis.

The school improvement plan shall be designed to achieve priority goals including but not limited to:

(a) assuring that students achieve proficiency in reading, writing, mathematics, science, and critical thinking skills so that district averages equal or surpass national norms;

(b) assuring that students attend school regularly and graduate from school at such rates that the district average equals or surpasses national norms;

(c) assuring that students are adequately prepared for and aided in making a successful transition to further education and life experience;

(d) assuring that students are adequately prepared for and aided in making a successful transition to employment; and

(e) assuring that students are, to the maximum extent possible, provided with a common learning experience that is of high academic quality and that reflects high expectations for all students' capacities to learn.

With respect to these priority goals, the school improvement plan shall include but not be limited to the following:

(a) an analysis of data collected in the attendance center and community indicating the specific strengths and weaknesses of the attendance center in light of the goals specified above;

(b) a description of specific annual objectives the attendance center will pursue in achieving the goals specified above;

(c) a description of the specific activities the attendance center will undertake to achieve its objectives;

(d) an analysis of the attendance center's staffing pattern and material resources, and an explanation of how the attendance center's planned staffing pattern, the deployment of staff, and the use of material resources furthers the objectives of the plan;

(e) a description of the key assumptions and directions of the school's curriculum and the academic and non-academic programs of the attendance center, and an explanation of how this curriculum and these programs further the goals and objectives of the plan;

(f) a description of the steps that will be taken to enhance educational opportunities for all students, regardless of gender, including limited English proficient students, disabled students, low-income students and minority students;

(g) a description of any steps which may be taken by the attendance center to educate parents as to how they can assist children at home in preparing their children to learn effectively;

(h) a description of the steps the attendance center will take to coordinate its efforts with, and to gain the participation and support of, community residents, business organizations, and other local institutions and individuals;

(i) a description of any staff development program for all school staff and volunteers tied to the priority goals, objectives, and activities specified in the plan;

(j) a description of the steps the local school council will undertake to monitor implementation of the plan on an ongoing basis;

(k) a description of the steps the attendance center will take to ensure that teachers have working conditions that provide a professional environment conducive to fulfilling their responsibilities;

(l) a description of the steps the attendance center will take to ensure teachers the time and opportunity to

incorporate new ideas and techniques, both in subject matter and teaching skills, into their own work;

(m) a description of the steps the attendance center will take to encourage pride and positive identification with the attendance center through various athletic activities; and

(n) a description of the student need for and provision of services to special populations, beyond the standard school programs provided for students in grades K through 12 and those enumerated in the categorical programs cited in item d of part 4 of Section 34-2.3, including financial costs of providing same and a timeline for implementing the necessary services, including but not limited, when applicable, to ensuring the provisions of educational services to all eligible children aged 4 years for the 1990-91 school year and thereafter, reducing class size to State averages in grades K-3 for the 1991-92 school year and thereafter and in all grades for the 1993-94 school year and thereafter, and providing sufficient staff and facility resources for students not served in the regular classroom setting. P.A. 85-1418.

(Ch. 122, par. 34-2.4a)

Sec. 34-2.4a. Professional personnel advisory committee. At each attendance center operated pursuant to this Article, a professional personnel advisory committee consisting of certified classroom teachers and other certificated personnel who are employed at the attendance center and who desire to be members of the committee shall be elected each school year for the purpose of advising the principal and the local school council on matters of educational program, including but not limited to curriculum and school improvement plan development and implementation. The principal shall convene a publicized meeting of all certified classroom teachers and other certificated personnel, at which meeting those certified classroom teachers and other certificated personnel

present, excluding the principal, shall elect teachers and other certificated personnel to serve on the committee. The total number of teachers and other certificated personnel to be elected to serve on the committee during the school year shall be determined by the certified classroom teachers and other certificated personnel present at the meeting at which the teachers and other certificated personnel are to be elected. A staff member eligible to vote may vote for as many candidates as are to be elected, but votes shall not be cumulated. Ties shall be determined by lot. Vacancies shall be filled in like manner. P.A. 85-1418.

(Ch. 122, par. 34-2.4b)

Sec. 34-2.4b. Limitation upon applicability. The provisions of Sections 34-2.1, 34-2.1b, 34-2.2, 34-2.3, 34-2.3a, 34-2.4 and 34-8.3, and those provisions of paragraph 1 of Section 34-18 and paragraph (c) of Section 34A-201a relating to the allocation or application -- by formula or otherwise -- of lump sum amounts and other funds to attendance centers, shall not apply to the Cook County Juvenile Detention Center and Cook County Jail schools, nor to the district's alternative schools for pregnant girls, nor to Washburne Trade School, the Industrial Skills Center or Michael R. Durso School; and the board of education shall have and exercise with respect to those schools and with respect to the conduct, operation, affairs and budgets of those schools, and with respect to the principals, teachers and other school staff there employed, the same powers which are exercisable by local school councils with respect to the other attendance centers, principals, teachers and school staff within the district, together with all powers and duties generally exercisable by the board of education with respect to all attendance centers within the district. The board of education shall develop appropriate alternative methods for involving parents, community members and school staff to the maximum extent possible in all of the activities

of those schools, and may delegate to the parents, community members and school staff so involved the same powers which are exercisable by local school councils with respect to other attendance centers. P.A. 86-124.

(Ch. 122, par. 34-2.5)

Sec. 34-2.5. Subdistrict Councils. (a) There is created in each of the district's subdistricts a Subdistrict Council composed of one parent or community member elected by and from the parent or community members of each Local School Council within the subdistrict. A Council member shall serve during his or her then current term as a member of a Local School Council. A vacancy on the Council shall be declared by the subdistrict superintendent if a member fails to maintain qualifications as a member of a Local School Council. The duties of the Councils shall include without limitation the following:

1. to promote coordination and communication among Local School Councils and school staffs;

2. to disseminate research concerning innovative educational techniques;

3. to promote and coordinate training of Local School Councils;

4. to promote and coordinate joint operation of school programs and services; and

5. to provide voluntary dispute resolution of problems encountered by Local School Councils.

(b) The annual organizational meeting of each Subdistrict Council shall be held within 7 days after each election of the Subdistrict Council. At the annual organizational meeting in each odd numbered year a parent member of the Subdistrict Council shall be elected by the members of such Council as its chairperson, and a secretary shall be elected by the members of such council from among their number, each to serve terms of two years. Whenever a vacancy in the office of chairperson or secretary of a

Subdistrict Council shall occur, a new chairperson (who shall be a parent member) or secretary, as the case may be, shall be elected by the members of the Subdistrict Council from among their number to serve as such chairperson or secretary for the unexpired term of office in which the vacancy occurs. At each annual organizational meeting, the time and place of any regular meetings of the Subdistrict Council shall be fixed. Special meetings of the Subdistrict Council may be called by the chairperson or by any 4 members by giving notice thereof in writing, specifying the time, place and purpose of the meeting. Public notice of meetings shall also be given in accordance with the Open Meetings Act.

(c) Members and officers of the Subdistrict Council shall serve without compensation and without reimbursement of any expenses incurred in the performance of their duties, except that the board of education may by rule establish a procedure and thereunder provide for reimbursement of members and officers of Subdistrict Councils for such of their reasonable and necessary expenses (excluding any lodging or meal expenses) incurred in the performance of their duties as the board may deem appropriate.

(d) A majority of the full membership of the Subdistrict Council shall constitute a quorum, and whenever a vote is taken on any measure before the Subdistrict Council, a quorum being present, the affirmative vote of a majority of the full membership then serving of the Subdistrict Council shall be determinative; provided that a three-fifths vote of the entire membership of the Subdistrict Council shall be required for (i) a determination to renew the performance contract of the subdistrict superintendent, or (ii) the direct appointment by the Subdistrict Council -- without the prior submission of a list of candidates to the general superintendent for the position of subdistrict superintendent as provided in this Section -- of a new subdistrict superintendent to serve under a 4 year performance contract.

(e) Each Subdistrict Council shall have and exercise, consistent with the provisions of this Article and the powers and duties of the board of education, the following powers and duties:

1. To evaluate the performance of the subdistrict superintendent, to determine in the manner provided by subsection (d) of this Section whether the performance contract of the subdistrict superintendent shall be renewed, and to directly appoint in the manner provided by subsection (d) of this Section a new subdistrict superintendent -- without submitting any list of candidates for that position to the general superintendent as provided in paragraph 2 of this subsection -- to serve under a 4 year performance contract; provided that the determination of whether the subdistrict superintendent's performance contract is to be renewed and -- in cases where such performance contract is not renewed -- a direct appointment of a new subdistrict superintendent to serve under a 4 year performance contract shall be made by the Subdistrict Council by April 15 of the calendar year in which the current performance contract of the subdistrict superintendent expires.

2. In the event (i) the Subdistrict Council does not renew the performance contract of the subdistrict superintendent, or the subdistrict superintendent is removed for cause during the term of his or her performance contract in the manner provided by Section 34-85, or a vacancy in the position of a subdistrict superintendent otherwise occurs prior to the expiration of the term of a subdistrict superintendent's performance contract, and (ii) the Subdistrict Council fails to directly appoint a new subdistrict superintendent to serve under a 4 year performance contract, the Subdistrict Council in such event shall submit to the general superintendent a list of 3 candidates -- listed in the Subdistrict Council's order of preference -- for the position of subdistrict superintendent,

one of which shall be selected by the general superintendent to serve as subdistrict superintendent. If the general superintendent fails or refuses to select one of the candidates on the list to serve as subdistrict superintendent within 30 days after being furnished with the candidate list, the Subdistrict Council within 15 days after such failure or refusal shall itself select one of the candidates from the list as subdistrict superintendent. There shall be no discrimination on the basis of race, sex, creed, color or disability unrelated to ability to perform in connection with the submission of candidates for, and the selection of a candidate to serve as subdistrict superintendent. No person shall be directly appointed, listed as a candidate for, or selected to serve as subdistrict superintendent unless such person holds a valid administrative certificate issued or exchanged under Article 21 and endorsed as required by that Article for the position of subdistrict superintendent. No academic, educational, examination or experience requirements or criteria in addition to those established and required by Article 21 for issuance of a valid certificate endorsed for the position of subdistrict superintendent may be established or imposed by the board as a condition of the nomination, appointment, employment or continued employment of a person as subdistrict superintendent, or as a condition of the renewal of any subdistrict superintendent's performance contract. A subdistrict superintendent whose performance contract is not renewed as provided under subsection (d) of this Section may nevertheless, if otherwise qualified and certified as herein provided, be included by a Subdistrict Council as one of the 3 candidates listed in order of preference on any candidate list from which one person is to be selected to serve as subdistrict superintendent under a new performance contract. The initial candidate list required to be submitted by a Subdistrict Council to the general superintendent in cases where the Subdistrict Council

does not renew the performance contract of its subdistrict superintendent and does not directly appoint a new subdistrict superintendent to serve under a 4 year performance contract shall be submitted not later than May 1 of the calendar year in which such performance contract expires. In cases where a subdistrict superintendent is removed for cause or a vacancy otherwise occurs in the position of subdistrict superintendent and the vacancy is not filled by direct appointment by the Subdistrict Council, the candidate list shall be submitted by the Subdistrict Council to the general superintendent not later than 30 days after the date such removal or vacancy occurs.

3. To establish additional criteria to be included as part of the performance contracts of its subdistrict superintendent, provided that such additional criteria shall not discriminate on the basis of race, sex, creed, color or disability unrelated to ability to perform, and shall not be inconsistent with the uniform 4 year performance contract of subdistrict superintendents developed by the board or with other provisions of this Article governing the authority and responsibility of subdistrict superintendents.

4. All decisions made and actions taken by the Subdistrict Council in the exercise of its powers and duties shall comply with State and federal laws, all collective bargaining agreements, any court orders, and all properly promulgated rules of the Board.

5. Each Subdistrict Council shall comply with the Open Meetings Act and The Freedom of Information Act. Each subdistrict council shall issue and transmit to its school community a detailed annual report of its activities. Each subdistrict council shall convene at least one well-publicized meeting annually for its subdistrict to present same.

6. Each subdistrict council is encouraged to involve additional non-voting members of the subdistrict community in

facilitating the council's exercise of its responsibilities.

7. In accordance with systemwide guidelines contained in the System-Wide Educational Reform Goals and Objectives Plan, criteria for evaluation of performance shall be established for subdistrict councils and council members. If a council persists in noncompliance with systemwide requirements the Board may impose sanctions and take necessary corrective action. P.A. 86-124.

(Ch. 122, par. 34-3)

Sec. 34-3. Board member - Term - Vacancies; Interim Board. (a) Within 30 days after the effective date of this amendatory Act of 1988, the terms of all members of the board holding office on that date are abolished and the Mayor shall appoint a 7 member Interim Board of Education which shall take office upon the appointment of the seventh member. Each member of the Interim Board of Education shall have the qualifications prescribed in Section 34-4. The city council may disapprove any appointment made by the Mayor within 30 days after such appointment. Any appointee disapproved by the city council shall be removed as a member of the Interim Board. A member of the Board of Education holding office on the effective date of this amendatory Act of 1988 shall not be precluded from serving on the Interim Board of Education. Such Interim Board of Education shall serve until May 15, 1990 or the appointment of the new board, whichever is later.

(b) The board shall consist of 15 members, nominated pursuant to Section 34-3.1 and appointed by the mayor with the approval of the city council, 4 for the term of 1 year, 4 for 2 years, 4 for 3 years, and 3 for 4 years. Thereafter at the expiration of the term of any member, his successor shall be appointed in like manner and shall hold office for the term of 4 years from May 15 of the year in which his term commences and until his successor shall have been appointed and qualified. No individual may serve more than 3 consecutive terms. Any vacancy in the membership of the board

shall be filled through appointment by the mayor, with the approval of the city council, for the unexpired term. The terms of all members of the Interim Board shall expire on May 15, 1990 or upon the appointment of the new board, whichever is later, and the mayor with the approval of the city council shall appoint 15 members to staggered terms as provided in this Section and Section 34-3.1. P.A. 85-1418.

(Ch. 122, par. 34-3.1)

Sec. 34-3.1. School Board Nominating Commission. There is created a School Board Nominating Commission composed of one parent or community member elected by and from each of the district's Subdistrict Councils and 5 members appointed by the mayor who have expertise in the fields of business, educational management and human relations. A vacancy shall occur if any parent or community member fails to meet the criteria for membership on his or her Local School Council. A vacancy shall be filled in like manner as the original appointment for the unexpired term. A parent or community member shall serve during his or her then current term as a member of a Local School Council. Members appointed by the mayor shall serve for a term of 2 years commencing on October 1st of each odd-numbered year. The members of the Commission shall elect a chairman annually from its membership. On or before December 1, 1989, the mayor shall convene the Commission for the purpose of electing an initial chairman.

The Commission shall have the authority and the duty to nominate candidates for the board. At least 14 calendar days prior to convening a public hearing to accept the credentials and to consider the qualifications of prospective candidates for the board, the Commission shall publicize a notice of the hearing and its purpose in at least 2 daily newspapers with a general circulation throughout the city and shall post notices at the board's central office. Public hearings shall be held in the evening in a large, central location, but not necessarily the board's offices, to accommodate public

participation.

Within 45 calendar days after the Commission meets to accept credentials and consider qualifications of prospective candidates, the Commission shall submit to the mayor a slate of 3 different candidates for each vacant or new board position. If more than one board position is to be filled, no candidate may appear on more than one slate. The Commission may deliberate in closed meetings but shall conduct its vote on a slate at a public meeting. Ties shall be determined by lot. The meeting at which a vote is to be taken on a slate of candidates shall be publicized at least 7 calendar days before the meeting in like manner as a meeting to accept credentials is publicized.

Within 30 calendar days after a slate of candidates is approved by the Commission, the mayor shall select one of the 3 candidates as board member from the slate. If none of the 3 candidates on the slate is selected by the mayor or if the mayor's selection is disapproved by the city council, the Commission shall conduct further hearings as provided in this Section to develop a new slate of candidates from which the mayor shall select a candidate. The new slate shall be composed of candidates who were not candidates on the original slate and who were not candidates on any slate submitted in connection with any other vacant or new board position not then filled.

If the city council takes no action to approve or disapprove the mayor's selection within 30 days after the candidate's name is submitted to the city council, the appointment shall be deemed to be approved.

The Commission and the mayor shall consider the demographics of the student population served by the district when making nominations and appointments, respectively. The Commission and the mayor shall also consider candidates' expertise in business management and finance. P.A. 85-1418.

(Ch. 122, par. 34-3.2)

Sec. 34-3.2. Board training. After January 1, 1990 all board members shall participate in training provided by board employees or not-for-profit organizations, including without limitation the following:

1. budget and revenue review;

2. education theory and governance;

3. governmental relations;

4. school-based management; and

5. State and federal education law and regulations. P.A. 85-1418.

(Ch. 122, par. 34-6)

Sec. 34-6. Superintendent of schools. After the effective date of this amendatory Act of 1988, the board shall, by a vote of a majority of its full membership, appoint a general superintendent of schools to serve pursuant to a performance-based contract for a term ending on June 30th of the third calendar year after his appointment. He shall be the chief administrative officer of the board and shall have charge and control, subject to the approval of the board and to other provisions of this Article, of all departments and the employees therein of public schools, except the law department. He shall negotiate contracts with all labor organizations which are exclusive representatives of educational employees employed under the Illinois Educational Labor Relations Act. All contracts shall be subject to approval of the Board of Education. The board shall conduct a national search for a general superintendent. An incumbent general superintendent may not be precluded from being included in such national search. P.A. 85-1418.

(Ch. 122, par. 34-8)

Sec. 34-8. Powers and duties of general superintendent. The general superintendent of schools shall prescribe and control, subject to the approval of the board and to other provisions of this Article, the courses of study mandated by State law, textbooks, educational apparatus and equipment,

discipline in and conduct of the schools, and shall perform such other duties as the board may by rule prescribe. The superintendent shall also notify the State Board of Education, the board and the chief administrative official, other than the alleged perpetrator himself, in the school where the alleged perpetrator serves, that any person who is employed in a school or otherwise comes into frequent contact with children in the school has been named as a perpetrator in an indicated report filed pursuant to the Abused and Neglected Child Reporting Act, approved June 26, 1975, as amended.

The general superintendent may be granted the authority by the board to hire a specific number of employees to assist in meeting immediate responsibilities. Conditions of employment for such personnel shall not be subject to the provisions of Section 34-85.

The general superintendent may, pursuant to a delegation of authority by the board, approve contracts and expenditures in amounts of $10,000 or less.

Pursuant to other provisions of this Article, sites shall be selected, schoolhouses located thereon and plans therefor approved, and textbooks and educational apparatus and equipment shall be adopted and purchased by the board only upon the recommendation of the general superintendent of schools or by a majority vote of the full membership of the board and, in the case of textbooks, subject to Article 28 of this Act. The board may furnish free textbooks to pupils and may publish its own textbooks and manufacture its own apparatus, equipment and supplies. P.A. 85-1418.

(Ch. 122, par. 34-8.1)

Sec. 34-8.1. Principals. So that educational programs may operate successfully, the Engineer In Charge of each attendance center and all persons employed under the direction of the Engineer in Charge shall be accountable to the Principal for the safe, economical operation of the

plant. The Engineer In Charge shall also be responsible for orientation and training of Engineers, Trainees, school maintenance assistants, custodial workers and other plant operation employees under his or her direction. They shall receive their orders from the Engineer In Charge who shall be accountable to the principal for carrying out his or her reasonable orders in the operation of the facility, which comply with the policies, rules and regulations of the Board of Education, City of Chicago, State of Illinois and Federal Statutes. The principal and the Engineer In Charge shall keep the keys to the attendance center.

If the Engineer In Charge and anyone under his or her direction fails to respond to the concerns of the Principal with regard to the operation of the plant or the Engineer In Charge feels the orders of the principal are unreasonable, the Principal or the Engineer In Charge shall report to the superintendent of the subdistrict his or her concerns. The Superintendent of the subdistrict shall consult with the District Supervising Engineer and the Department of Facilities to resolve all problems relative to the operation of the plant. All action must be in accordance with policies, rules and regulations of the Board of Education, City of Chicago, State of Illinois, and the Civil Service Code.

The right to employ, discipline, discharge and layoff for cause shall be vested solely with the Board of Education, but the Operating Engineers Union shall have the right in case of discharge, discipline, or layoff to avail themselves of existing civil service laws and contractual agreements with the Board of Education.

So that the Food Service may operate successfully, the Food Service Manager of each attendance center and all persons employed under the direction of the Food Service Manager shall be accountable to the principal for the sanitary, economical and nutritious operation of the food

service. The Food Service Manager shall also be responsible for the orientation and training of cooks, bakers, porters and lunchroom attendants under his or her direction. They shall receive their orders from the Food Service Manager who shall be accountable to the Principal for carrying out his or her reasonable orders in the operation of the food service which comply with Federal guidelines, and the policies, rules and regulations of the Board of Education, City of Chicago, State of Illinois and Federal Statutes.

If the Food Service Manager and anyone under his or her direction fails to respond to the concerns of the Principal with regard to the operation of the lunchroom or the Food Service Manager feels the orders of the principal are unreasonable, the Principal or the Food Service Manager shall report to the superintendent of the subdistrict his or her concerns. The Superintendent of the subdistrict shall consult with the District Food Service Superintendent and the Department of Food Service to resolve all problems relative to the operation of the lunchroom. All action must be in accordance with policies, rules and regulations of the Board of Education, City of Chicago, State of Illinois, and the Civil Service Code.

The right to employ, discipline, discharge and layoff for cause shall be vested solely with the Board of Education, but the Food Service Union shall have the right in case of discharge, discipline, or layoff to avail themselves of existing civil service laws and contractual agreements with the Board of Education.

Principals shall be employed to supervise the educational operation of each attendance center. If a principal is absent due to extended illness or leave or absence, an assistant principal may be assigned as acting principal for a period not to exceed 100 school days. Each principal shall assume administrative responsibility and instructional leadership, in accordance with reasonable rules and regulations of the

board, for the planning, operation and evaluation of the educational program of the attendance center to which he is assigned. The principal shall submit recommendations to the general superintendent concerning the appointment, retention, promotion and assignment of all educational personnel assigned to the attendance center; provided, that from and after September 1, 1989: (i) if any vacancy occurs in the position of a teacher, teacher aide, counselor, clerk, hall guard, security guard or any educational personnel at the attendance center or if an additional or new position for a teacher, teacher aide, counselor, clerk, hall guard, security guard and any other educational personnel is created at the attendance center, that position shall be filled by appointment made by the principal from eligibility lists provided by the Board whenever the majority of the duties included in that position are to be performed at the attendance center which is under the principal's supervision, and each such appointment so made by the principal from an eligibility list shall be made and based upon merit and ability to perform in that position without regard to seniority or length of service, provided, that such appointments shall be subject to the Board's desegregation obligations, including but not limited to the Consent Decree and Desegregation Plan in U.S. v. Chicago Board of Education, and shall be subject to the collective bargaining agreement referred to in Section 34-84; (ii) the principal shall submit recommendations based upon merit and ability to perform in the particular position, without regard to seniority or length of service, to the subdistrict superintendent concerning the appointment of any teacher, teacher aide, counselor, clerk, hall guard, security guard and any other educational personnel which is to be made by the subdistrict superintendent whenever less than a majority of the duties of that teacher, teacher aide, counselor, clerk, hall guard, and security guard and any other educational personnel are to be

performed at the attendance center which is under the principal's supervision; (iii) unless otherwise determined in the collective bargaining agreement, the principal shall give first consideration to supernumerary teachers when interviewing candidates for filling new or vacant positions; and (iv) subject to the applicable collective bargaining agreements, the authority and responsibilities of a principal with respect to the evaluation of all teachers and other personnel assigned to an attendance center shall commence immediately upon his or her appointment as principal of the attendance center, without regard to the length of time that he or she has been the principal of that attendance center.

Each principal shall hold a valid administrative certificate issued or exchanged in accordance with Article 21 and endorsed as required by that Article for the position of principal. No academic, educational, examination or experience requirements or criteria in addition to those established and required by Article 21 for issuance of a valid certificate endorsed for the position of principal may be established or imposed by the board as a condition of the nomination, appointment, employment or continued employment of a person as principal of any attendance center, or as a condition of the renewal of any principal's performance contract;

The board shall specify in its formal job description for principals, and from and after July 1, 1990 shall specify in the 4 year performance contracts for use with respect to all principals, that his or her primary responsibility is in the improvement of instruction. A majority of the time spent by a principal shall be spent on curriculum and staff development through both formal and informal activities, establishing clear lines of communication regarding school goals, accomplishments, practices and policies with parents and teachers. The principal, with the assistance of the local school council, shall develop a school improvement plan

as provided in Section 34-2.4 and, upon approval of the plan by the local school council, shall be responsible for directing implementation of the plan. The principal, with the assistance of the Professional Personnel Advisory Committee, shall develop the specific methods and contents of the school's curriculum within the board's system-wide curriculum standards and objectives and the requirements of the school improvement plan. The board shall ensure that all principals are evaluated on their instructional leadership ability and their ability to maintain a positive education and learning climate. It shall also be the responsibility of the principal to utilize resources of proper law enforcement agencies when the safety and welfare of students and teachers are threatened by illegal use of drugs and alcohol.

On or before October 1, 1989, the Board of Education, in consultation with any professional organization representing principals in the district, shall promulgate rules and implement a lottery for the purpose of determining whether a principal's existing performance contract (including the performance contract applicable to any principal's position in which a vacancy then exists) expires on June 30, 1990 or on June 30, 1991, and whether the ensuing 4 year performance contract begins on July 1, 1990 or July 1, 1991. The Board of Education shall establish and conduct the lottery in such manner that of all the performance contracts of principals (including the performance contracts applicable to all principal positions in which a vacancy then exists), 50% of such contracts shall expire on June 30, 1990, and 50% shall expire on June 30, 1991. All persons serving as principal on the effective date of this amendatory Act of 1988, and all persons appointed as principal after such effective date and prior to July 1, 1990 or July 1, 1991, in a manner other than as provided by Section 34-2.3, shall be deemed by operation of law to be serving under a performance contract which expires on June 30, 1990 or June 30, 1991; and unless such

performance contract of any such principal is renewed (or such person is again appointed to serve as principal) in the manner provided by Section 34-2.2 or 34-2.3, the employment of such person as principal shall terminate on June 30, 1990 or June 30, 1991.

Commencing on July 1, 1990, or on July 1, 1991, and thereafter, the principal of each attendance center shall be the person selected in the manner provided by Section 34-2.3 to serve as principal of that attendance center under a 4 year performance contract. All performance contracts of principals expiring after July 1, 1990, or July 1, 1991, shall commence on July 1 of the year of their appointment, and the renewal of their performance contracts and the appointment of principals when their performance contracts are not renewed shall be governed by Sections 34-2.2 and 34-2.3. Whenever a vacancy in the office of a principal occurs for any reason other than the failure to renew the performance contract of that principal, the vacancy shall be filled in the manner provided by Section 34-2.3.

The board of education shall develop and prepare, in consultation with the organization representing principals, a 4 year performance contract for use at all attendance centers, and shall furnish the same to each local school council in January, 1990. The performance contract of each principal shall consist of the uniform performance contract, as developed or from time to time modified by the board, and such additional criteria as are established by a local school council pursuant to paragraph 3 of Section 34-2.3 for the performance contract of its principal.

During the term of his or her performance contract, a principal may be removed only as provided for in the performance contract except for cause. He or she shall also be obliged to follow the rules of the board of education concerning conduct and efficiency.

In the event the performance contract of a principal is

not renewed or a principal is not reappointed as principal under a new performance contract, or in the event a principal is appointed to any position of subdistrict superintendent or higher position, or voluntarily resigns his position of principal, his or her employment as a principal shall terminate and such former principal shall not be reinstated to the position from which he or she was promoted to principal, except that he or she, if otherwise qualified and certified in accordance with Article 21, shall be placed by the board on appropriate eligibility lists which it prepares for use in the filling of vacant or additional or newly created positions for teachers. The principal's total years of service to the board as both a teacher and a principal, or in other professional capacities, shall be used in calculating years of experience for purposes of being selected as a teacher into new, additional or vacant positions. P.A. 86-124.

(Ch. 122, par. 34-8.2)

Sec. 34-8.2. Local Nominating Committees. A. Before the general superintendent shall recommend or the board shall vote on the appointment of a principal, the general superintendent and board may obtain the nomination of a person or persons to fill the position of principal by a local nominating committee.

B. A local nominating committee, when authorized by board rules and regulations, may consider, interview and nominate only those persons for the position of principal who appear on the appropriate eligibility list prepared by the board of examiners or those principals who consent to be considered for a transfer. The recommendations of the local nominating committee shall not discriminate against any person based upon race, color, creed, national ancestry, sex, ethnic heritage or religious beliefs.

C. The board may adopt rules and regulations regarding the formation of and procedures to be followed by local

nominating committees; these rules and regulations shall assure that at least 60% of the members of each committee shall be parents or guardians of children in the affected school.

D. This Section is repealed on January 1, 1990. P.A. 85-1418.

(Ch. 122, par. 34-8.3)

Sec. 34-8.3. Subdistrict superintendents. (a) Each subdistrict superintendent shall monitor the performance of the attendance centers within the subdistrict boundaries and shall identify attendance centers that have:

(1) failed to develop or implement a school improvement plan;

(2) failed to make adequate progress toward complying with a school improvement plan;

(3) failed or refused to comply with its school improvement plan; or

(4) otherwise failed or refused to comply with the provisions of this Act, other applicable laws, collective bargaining agreements, court orders, or with Board rules which the Board is authorized to promulgate.

(b) If the subdistrict superintendent identifies a nonperforming school as described herein, he shall (1) notify the subdistrict council and (2) obtain the council's approval to place the attendance center on remediation by developing a remediation plan for the center. The purpose of the remediation plan shall be to correct the deficiencies in the performance of the attendance center by one or more of the following methods:

(1) drafting a new school improvement plan;

(2) applying to the board for additional funding for training for the local school council;

(3) directing implementation of a school improvement plan;

(4) mediating disputes or other obstacles to reform or

improvement at the attendance center.

If, however, the subdistrict superintendent determines that the problems are serious or not able to be remediated by these methods, or where a remediation plan has been developed by the subdistrict superintendent and the superintendent determines that remediation has not been successful, the subdistrict superintendent shall notify the subdistrict council and shall obtain the council's approval to place the attendance center on probation.

(c) Each school placed on probation shall have a school improvement plan for correcting deficiencies specified by the Board. This plan shall include specific steps that the local School Council and school staff must take to correct deficiencies and specific objective criteria by which the school's subsequent progress will be judged. The plan may also specify external technical assistance that will be provided to the school, drawing on its school discretionary fund and other school funds.

(d) Schools placed on probation that, after one year, fail to make adequate progress in correcting deficiencies are subject to the following action by the Board, after opportunity for a hearing:

(1) Ordering new local school council elections.

(2) Removing and replacing the principal.

(3) Replacement of faculty members, subject to the provisions of Section 24A-5.

(4) Closing of the school.

(e) Schools placed on probation shall remain on probation from year to year until deficiencies are corrected, even if such schools make acceptable annual progress.

(f) Nothing described herein shall limit the authority of the Board as provided by any law of this State, to take immediate corrective action where the Board has reason to believe that violations of civil rights, or of civil or criminal law have occurred.

(g) All persons serving as subdistrict superintendent on the effective date of this amendatory Act of 1988, and all persons appointed as subdistrict superintendent after such effective date and prior to July 1, 1991 in a manner other than as provided by Section 34-2.5, shall be deemed by operation of law to be serving under a performance contract which expires on June 30, 1991; and unless such performance contract of any such subdistrict superintendent is renewed (or such person is again appointed to serve as subdistrict superintendent) in the manner provided by Section 34-2.5 the employment of such person as subdistrict superintendent shall terminate on June 30, 1991.

(h) Each subdistrict superintendent shall, in consultation with local school councils, conduct an annual evaluation of each principal under his or her jurisdiction pursuant to guidelines promulgated by the Board of Education. P.A. 86-124.

(Ch. 122, par. 34-13)

Sec. 34-13. Appointment, removal or suspension of attorney and assistants. The appointment and removal of the general superintendent of schools, heads of general departments now in existence or hereafter established, the attorney, and all assistant attorneys shall not be subject to the civil service law. The heads of general departments now in existence or hereafter established may be removed by a majority vote of the full membership of the board upon the recommendation of the general superintendent of schools or by a majority vote of the full membership of the board. P.A. 85-1418.

(Ch. 122, par. 34-18)

Sec. 34-18. Powers of the board. The board shall exercise general supervision and jurisdiction over the public education and the public school system of the city, and, except as otherwise provided by this Article, shall have power:

1. To make suitable provision for the establishment and maintenance throughout the year or for such portion thereof as it may direct, not less than 9 months, of schools of all grades and kinds, including normal schools, high schools, night schools, schools for defectives and delinquents, parental and truant schools, schools for the blind, the deaf and the crippled, schools or classes in manual training, constructural and vocational teaching, domestic arts and physical culture, vocation and extension schools and lecture courses, and all other educational courses and facilities, including establishing, equipping, maintaining and operating playgrounds and recreational programs, when such programs are conducted in, adjacent to, or connected with any public school under the general supervision and jurisdiction of the board; provided, however, that in allocating funds from year to year for the operation of all attendance centers within the district, the board shall ensure that State Chapter 1 funds are allocated and applied in accordance with Section 18-8. To admit to such schools without charge foreign exchange students who are participants in an organized exchange student program which is authorized by the board. The board shall permit all students to enroll in apprenticeship programs in trade schools operated by the board, whether those programs are union-sponsored or not. No student shall be refused admission into or be excluded from any course of instruction offered in the common schools by reason of that student's sex. No student shall be denied equal access to physical education and interscholastic athletic programs supported from school district funds or denied participation in comparable physical education and athletic programs solely by reason of the student's sex. Equal access to programs supported from school district funds and comparable programs will be defined in rules promulgated by the State Board of Education in consultation with the Illinois High School Association;

2. To furnish lunches to pupils and make a reasonable charge therefor; also to use school funds for the payment of such expenses as the board may determine are necessary in conducting the school lunch program;

3. To co-operate with the circuit court;

4. To make arrangements with the public or quasi-public libraries and museums for the use of their facilities by teachers and pupils of the public schools;

5. To employ dentists and prescribe their duties for the purpose of treating the pupils in the schools, but accepting such treatment shall be optional with parents or guardians;

6. To grant the use of assembly halls and classrooms when not otherwise needed, including light, heat, and attendants, for free public lectures, concerts, and other educational and social interests, free of charge, under such provisions and control as the principal of the affected attendance center may prescribe;

7. To divide the city into subdistricts and apportion the pupils to the several schools; provided that no pupil shall be excluded from or segregated in any such school on account of his color, race, sex, or nationality. In dividing the City into subdistricts the board shall take into consideration the prevention of segregation and the elimination of separation of children in public schools because of color, race, sex, or nationality. Except that children may be committed to or attend parental and social adjustment schools established and maintained either for boys or girls only. All records pertaining to the creation, alteration or revision of subdistricts and attendance areas shall be open to the public. Nothing herein shall limit the Board's authority to establish multi-area attendance centers or other student assignment systems for desegregation purposes or otherwise, and to apportion the pupils to the several schools. Furthermore, beginning in school year 1991-92, pursuant to a board plan developed after

consideration of a study by the State Board of Education, the board shall offer, commencing on a phased-in basis, the opportunity for families within the school district to apply for enrollment of their children in any attendance center within the school district which does not have selective admission requirements approved by the board. The appropriate geographical area in which such open enrollment may be exercised shall be determined by the board of education. Such children may be admitted to any such attendance center on a space available basis after all children residing within such attendance center's area have been accommodated. If the number of applicants from outside the attendance area exceed the space available, then successful applicants shall be selected by lottery. The board of education's open enrollment plan must include provisions that allow low income students to have access to transportation needed to exercise school choice. Open enrollment shall be in compliance with the provisions of the Consent Decree and Desegregation Plan cited in Section 34-1.01.

8. To approve programs and policies for providing transportation services to students. Nothing herein shall be construed to permit or empower the State Board of Education to order, mandate, or require busing or other transportation of pupils for the purpose of achieving racial balance in any school;

9. Subject to the limitations in this Article, to establish and approve system-wide curriculum objectives and standards which reflect the multi-cultural diversity in the city and are consistent with State law and in accordance therewith prescribe the course and methods of study in the various schools; and to employ subdistrict superintendents, principals and teachers, appointed as provided in this Article, and fix their compensation. The board shall prepare such reports related to minimal competency testing as may be

requested by the State Board of Education, and in addition shall monitor and approve special education and bilingual education programs and policies within the district to assure that appropriate services are provided in accordance with applicable State and federal laws to children requiring services and education in those areas;

10. To employ non-teaching personnel or utilize volunteer personnel for non-teaching duties not requiring instructional judgment or evaluation of pupils. The board may further utilize volunteer non-certificated personnel or employ non-certificated personnel to assist in the instruction of pupils under the immediate supervision of a teacher holding a valid certificate, directly engaged in teaching subject matter or conducting activities. The teacher shall be continuously aware of the non-certificated persons' activities and shall be able to control or modify them. The general superintendent shall determine qualifications of such personnel and shall prescribe rules for determining the duties and activities to be assigned to such personnel;

11. To provide television studio facilities in not to exceed one school building and to provide programs for educational purposes, provided, however, that the board shall not construct, acquire, operate, or maintain a television transmitter; to grant the use of its studio facilities to a licensed television station located in the school district; and to maintain and operate not to exceed one school radio transmitting station and provide programs for educational purposes;

12. To offer, if deemed appropriate, outdoor education courses, including field trips within the State of Illinois, or adjacent states, and to use school educational funds for the expense of the said outdoor educational programs, whether within the school district or not;

13. During that period of the calendar year not embraced

within the regular school term, to provide and conduct courses in subject matters normally embraced in the program of the schools during the regular school term and to give regular school credit for satisfactory completion by the student of such courses as may be approved for credit by the State Board of Education;

14. To insure against any loss or liability of the board, School Board Nominating Commission, Local School Councils, or Subdistrict Councils or of any member, officer, agent or employee thereof, resulting from alleged violations of civil rights arising from incidents occurring on or after September 5, 1967 or from the wrongful or negligent act or omission of any such person whether occurring within or without the school premises, provided the officer, agent or employee was, at the time of the alleged violation of civil rights or wrongful act or omission, acting within the scope of his employment or under direction of the board, School Board Nominating Commission, Local School Councils or Subdistrict Councils; and to provide for or participate in insurance plans for its officers and employees, including but not limited to retirement annuities, medical, surgical and hospitalization benefits in such types and amounts as may be determined by the board; provided, however, that the board shall contract for such insurance only with an insurance company authorized to do business in this State. Such insurance may include provision for employees who rely on treatment by prayer or spiritual means alone for healing, in accordance with the tenets and practice of a recognized religious denomination;

15. To contract with the corporate authorities of any municipality or the county board of any county, as the case may be, to provide for the regulation of traffic in parking areas of property used for school purposes, in such manner as is provided by Section 11-209 of "The Illinois Vehicle Code", approved September 29, 1969, as amended;

16. To provide, on an equal basis, access to the school campus to the official recruiting representatives of the armed forces of Illinois and the United States for the purposes of informing students of the educational and career opportunities available in the military if the board has provided such access to persons or groups whose purpose is to acquaint students with educational or occupational opportunities available to them. The board is not required to give greater notice regarding the right of access to recruiting representatives than is given to other persons and groups;

17. (a) To sell or market any computer program developed by an employee of the school district, provided that such employee developed the computer program as a direct result of his or her duties with the school district or through the utilization of the school district resources or facilities. The employee who developed the computer program shall be entitled to share in the proceeds of such sale or marketing of the computer program. The distribution of such proceeds between the employee and the school district shall be as agreed upon by the employee and the school district, except that neither the employee nor the school district may receive more than 90% of such proceeds. The negotiation for an employee who is represented by an exclusive bargaining representative may be conducted by such bargaining representative at the employee's request.

(b) For the purpose of this paragraph 17:

(1) "Computer" means an internally programmed, general purpose digital device capable of automatically accepting data, processing data and supplying the results of the operation.

(2) "Computer program" means a series of coded instructions or statements in a form acceptable to a computer, which causes the computer to process data in order to achieve a certain result.

(3) "Proceeds" means profits derived from marketing or sale of a product after deducting the expenses of developing and marketing such product;

18. To delegate to the general superintendent of schools, by resolution, the authority to approve contracts and expenditures in amounts of $10,000 or less;

19. Upon the written request of an employee, to withhold from the compensation of that employee any dues, payments or contributions payable by such employee to any labor organization as defined in the Illinois Educational Labor Relations Act. Under such arrangement, an amount shall be withheld from each regular payroll period which is equal to the pro rata share of the annual dues plus any payments or contributions, and the board shall transmit such withholdings to the specified labor organization within 10 working days from the time of the withholding;

20. The board is encouraged to employ a sufficient number of certified school counselors to maintain a student/counselor ratio of 250 to 1 by July 1, 1990. Each counselor shall spend at least 75% of his work time in direct contact with students and shall maintain a record of such time;

21. To make available to students vocational and career counseling and to establish 5 special career counseling days for students and parents. On these days representatives of local businesses and industries shall be invited to the school campus and shall inform students of career opportunities available to them in the various businesses and industries. Special consideration shall be given to counseling minority students as to career opportunities available to them in various fields. For the purposes of this paragraph, minority student means a person who is:

(a) Black (a person having origins in any of the black racial groups in Africa);

(b) Hispanic (a person of Spanish or Portuguese culture

with origins in Mexico, South or Central America, or the Caribbean islands, regardless of race);

(c) Asian American (a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent or the Pacific Islands); or

(d) American Indian or Alaskan Native (a person having origins in any of the original peoples of North America).

Counseling days shall not be in lieu of regular school days;

22. To report to the State Board of Education the annual student dropout rate and number of students who graduate from, transfer from or otherwise leave bilingual programs;

23. Except as otherwise provided in the "Abused and Neglected Child Reporting Act" or other applicable State or federal law, to permit school officials to withhold, from any person, information on the whereabouts of any child removed from school premises when the child has been taken into protective custody as a victim of suspected child abuse. School officials shall direct such person to the Department of Children and Family Services, or to the local law enforcement agency if appropriate;

24. To develop a policy, based on the current state of existing school facilities, projected enrollment and efficient utilization of available resources, for capital improvement of schools and school buildings within the district, addressing in that policy both the relative priority for major repairs, renovations and additions to school facilities, and the advisability or necessity of building new school facilities or closing existing schools to meet current or projected demographic patterns within the district;

25. To make available to the students in every high school attendance center the ability to take all courses necessary to comply with the Board of Higher Education's college entrance criteria effective in 1993;

26. To encourage mid-career changes into the teaching profession, whereby qualified professionals become certified teachers, by allowing credit for professional employment in related fields when determining point of entry on teacher pay scale;

27. To provide or contract out training programs for administrative personnel and principals with revised or expanded duties pursuant to this Act in order to assure they have the knowledge and skills to perform their duties; and

28. To establish a fund for the prioritized special needs programs, and to allocate such funds and other lump sum amounts to each attendance center in a manner consistent with the provisions of part 4 of Section 34-2.3. Nothing in this paragraph shall be construed to require any additional appropriations of State funds for this purpose.

The specifications of the powers herein granted are not to be construed as exclusive but the board shall also exercise all other powers that they may be requisite or proper for the maintenance and the development of a public school system, not inconsistent with the other provisions of this Article or provisions of this Code which apply to all school districts.

In addition to the powers herein granted and authorized to be exercised by the board, it shall be the duty of the board to review or to direct independent reviews of special education expenditures and services. The board shall file a report of such review with the General Assembly on or before May 1, 1990. P.A. 86-124.

(Ch. 122, par. 34-18b)

Sec. 34-18b. (1) Each school building in a district governed by this Article shall have a local school improvement council composed of teachers, community residents, and parents of students attending school in that building. Where the PTA, Concerned Parents, or other local school group is functioning, one of these groups may be the

local school improvement council. That council shall have the following powers and duties: (1) to disapprove all obligations from the principal's discretionary fund; (2) to provide recommendations to the subdistrict superintendent and the board of education on the employment of the building principal, other administrative personnel and teachers; (3) to provide recommendations to the subdistrict superintendent and the board of education on the curriculum for the building; (4) to elect one representative to the subdistrict advisory council; (5) to adopt by-laws, choose a chairman and such other officers as it deems appropriate, and hold regular meetings during the school year. All its activities shall be conducted in accordance with guidelines developed by the State Board of Education.

(2) In each school building there shall be, prior to April 15 of each year, a vote on a building budget proposed by the board of education. The school building budget shall include an estimate of expenditures allocable to that school attendance center, including the salaries and benefits of all personnel assigned there, supplies, materials, utilities, and all other expenses expected to be incurred with respect to that school attendance center. Each teacher at that building, each parent of a student attending school in that building, and each resident of the area served by the building who is 18 years of age or older may attend the meeting and vote on the proposed budget. The board of education shall publish a notice in a newspaper of general circulation in the school district listing the time, date and place of these meetings, which notice shall be published at least 15 days prior to the meetings. The principal in each building shall prepare circulars notifying the parents of children attending school in that building of the time, date and place of the meeting, and distribute those circulars to the students at least 14 days prior to the meeting. At such meeting, each eligible voter shall receive one ballot, which shall contain a space

in which the voter may indicate any objection he or she has to the budget. If the budget is accepted no further action shall be necessary. If the budget is rejected by a simple majority of those voting, the board of education shall modify the budget as near as possible to meet the objections of the voters at the meeting. A second community meeting shall be called within one month of the first meeting. Notice of the second meeting shall be given in the same manner as notice of the first meeting. At the second meeting, the board member or representative shall explain what actions the board has taken to meet the community's objections. The principal shall also be in attendance at that meeting of the council.

(3) The chairman of the local school improvement council shall conduct the initial election of the Local School Council as provided in Section 34-2.1. After the election of the initial Local School Council is concluded the local school improvement council shall cease to exist.

(4) This Section is repealed effective December 1, 1989. P.A. 85-1418.

(Ch. 122, par. 34-19)

Sec. 34-19. By-laws, rules and regulations - Business transacted at regular meetings - Voting - Records. The board shall, subject to the limitations in this Article, establish by-laws, rules and regulations, which shall have the force of ordinances, for the proper maintenance of a uniform system of discipline for both employees and pupils, and for the entire management of the schools, and may fix the school age of pupils, the minimum of which in kindergartens shall not be under 4 years and in grade schools shall not be under 6 years. It may expel, suspend or otherwise discipline any pupil found guilty of gross disobedience, misconduct or other violation of the by-laws, rules and regulations. The by-laws, rules and regulations of the board shall be enacted, money shall be appropriated or expended, salaries shall be fixed or changed, textbooks and courses of instruction shall be

adopted or changed only at the regular meetings of the board and by a vote of a majority of the full membership of the board. Upon all propositions requiring for their adoption at least a majority of all the members of the board the yeas and nays shall be taken and reported. The by-laws, rules and regulations of the board shall not be repealed, amended or added to, except by a vote of 2/3 of the full membership of the board. The board shall keep a record of all its proceedings. Such records and all by-laws, rules and regulations, or parts thereof, may be proved by a copy thereof certified to be such by the secretary of the board, but if they are printed in book or pamphlet form which are purported to be published by authority of the board they need not be otherwise published and the book or pamphlet shall be received as evidence, without further proof, of the records, by-laws, rules and regulations, or any part thereof, as of the dates thereof as shown in such book or pamphlet, in all courts and places where judicial proceedings are had.

Notwithstanding any other provision in this Article or in The School Code, the board may delegate to the general superintendent or to the attorney the authorities granted to the board in The School Code, provided such delegation and appropriate oversight procedures are made pursuant to board by-laws, rules and regulations, adopted as herein provided, except that the board may not delegate its authorities and responsibilities regarding (1) budget approval obligations; (2) rule-making functions; (3) desegregation obligations; (4) real estate acquisition, sale or lease in excess of 10 years as provided in Section 34-21; (5) the levy of taxes; or (6) any mandates imposed upon the board by "An Act in relation to school reform in cities over 500,000, amending Acts herein named", approved December 12, 1988, as now or hereafter amended. P.A. 86-124.

(Ch. 122, par. 34-21.3a)

Sec. 34-21.3a. Limitation on powers of board and Interim

Board. Notwithstanding any other provision of this Act or Article, during and throughout the 1989-1990 fiscal year of the board or Interim Board, the board or Interim Board shall limit its ac ivities and the exercise of its powers (other than its taxing and bonding powers and its responsibilities with respect to the adoption of the annual school budget for the 1989-1990 fiscal year of the board or Interim Board) to dealing with issues which will not impede or be detrimental to, and shall address those issues which will assist in, the implementation of the provisions of this amendatory Act of 1988; and during and throughout the 1989-1990 fiscal year of the board or Interim Board, neither the board nor Interim Board nor the general superintendent of schools shall enter into, renew, extend or renegotiate any contracts with any "exclusive representative" (as that term is defined in Section 2 of the Illinois Educational Labor Relations Act) or other collective bargaining representatives of any school district employees, nor enter into any new or other contracts or agreements which would conflict with any of the provisions of this amendatory Act of 1988. P.A. 85-1418.

(Ch. 122, par. 34-22.6)

Sec. 34-22.6. Issuance of bonds. For the purpose of erecting, purchasing, or otherwise acquiring buildings suitable for school houses, erecting temporary school structures, erecting additions to, repairing, rehabilitating, modernizing and replacing existing school buildings and temporary school structures, and furnishing and equipping school buildings and temporary school structures, and purchasing or otherwise acquiring and improving sites for such purposes, the board may incur an indebtedness and issue bonds therefor in an amount or amounts not to exceed in the aggregate $150,000,000 in addition to the bonds authorized under Sections 34-22.1, 34-22.2, 34-22.3, 34-22.4, 34-22.5 and 34-22.7. Bonds authorized under this Section may also be issued for the purposes of paying interest on such bonds,

establishing reserves to secure such bonds and paying the costs of issuance of such bonds. In connection with the issuance of its bonds, the board may enter into arrangements to provide additional security and liquidity for the bonds. These may include, without limitation, municipal bond insurance, letters of credit, lines of credit by which the board may borrow funds to pay or redeem its bonds and purchase or remarketing arrangements for assuring the ability of owners of the board's bonds to sell or to have redeemed their bonds. The board may enter into contracts and may agree to pay fees to persons providing such arrangements, including from bond proceeds but only under circumstances in which the total interest paid or to be paid on the bonds, together with the fees for the arrangements (being treated as if interest), would not, taken together, cause the bonds to bear interest, calculated to their absolute maturity, at a rate in excess of the maximum rate allowed by law.

The resolution of the board authorizing the issuance of its bonds may provide that interest rates may vary from time to time depending upon criteria established by the board, which may include, without limitation, a variation in interest rates as may be necessary to cause bonds to be remarketable from time to time at a price equal to their principal amount, and may provide for appointment of a national banking association, bank, trust company, investment banker or other financial institution to serve as a remarketing agent in that connection. The resolution of the board authorizing the issuance of its bonds may provide that alternative interest rates or provisions will apply during such times as the bonds are held by a person providing a letter of credit or other credit enhancement arrangement for those bonds. The Board may use proceeds of the sale of bonds authorized under this Section to pay the cost of obtaining such municipal bond insurance, letter of credit or other credit facilities. Bonds may also be issued under this

Section to pay the cost of refunding any bonds issued under this Section, including prior to their maturity. The bonds shall bear interest at a rate or rates not to exceed the maximum annual rate provided for in Section 2 of "An Act to authorize public corporations to issue bonds, other evidences of indebtedness and tax anticipation warrants subject to interest rate limitations set forth therein", approved May 26, 1970, as now or hereafter amended, and if issued at such maximum annual rate shall be sold for not less than par and accrued interest. If any of the bonds are issued to bear interest at a rate of less than such maximum annual rate the minimum price at which they may be sold shall be such that the interest cost to the board on the proceeds of the bonds shall not exceed such maximum annual rate computed to stated maturity according to standard tables of bond values.

Whenever the board desires to issue bonds as authorized in this Section, it shall adopt a resolution designating the purpose for which the proceeds of the bonds are to be expended and fixing the amount of the bonds proposed to be issued, the maturity or maturities thereof, and optional provisions, if any, the rate of interest thereon, and the amount of taxes to be levied annually for the purpose of paying the interest upon and the principal, whether due at maturity or upon sinking fund installment dates, of such bonds.

Said bonds shall be issued in the corporate name of the school district. They shall be signed by the president and secretary of said board and countersigned by the mayor and the comptroller (or city clerk if there be no comptroller) of the city. They shall be sold by the city comptroller (or city clerk if there be no comptroller) upon such terms as may be approved by the board after advertisement for bids as ordered by and under the direction of the board, and the proceeds thereof shall be received by the city treasurer, as school treasurer, and expended by the board for the purposes

provided in the bond resolution.

Before or at the time of issuing any bonds authorized in this Section, the board shall provide for the levy and collection of a direct annual tax upon all the taxable property of such school district sufficient to pay and discharge the principal thereof at maturity, or upon sinking fund installment dates, and to pay the interest thereon as it falls due. Such tax shall be levied and collected in like manner with the other taxes of such school district and shall be in addition to and exclusive of the maximum of all other taxes which such board is now, or may hereafter be, authorized by law to levy for any and all school purposes. Upon the filing in the office of the county clerk of the county wherein such school district is located of a duly certified copy of any such ordinance, it shall be the duty of such county clerk to extend the tax therein provided for, including an amount to cover loss and cost of collecting said taxes and also deferred collections thereof and abatements in the amounts of such taxes as extended upon the collector's books. The ordinance shall be in force upon its passage.

P.A. 85-1418.

(Ch. 122, par. 34-22.7)

Sec. 34-22.7. For the sole purpose of rehabilitating and accomplishing the deferred maintenance of present school buildings the board, with the consent of the city council expressed by ordinance, may incur an indebtedness and issue bonds therefor without referendum in an amount or amounts not to exceed in the aggregate $330,000,000. The bonds shall bear interest at a rate of not more than 7% per annum and shall mature within not to exceed 20 years from their date, and may be made callable on any interest payment date at par and accrued interest, after notice has been given, at the time and in the manner provided in the bond resolution.

Whenever the board desires to issue bonds as authorized in this Section, it shall adopt a resolution designating the

purpose for which the proceeds of the bonds are to be expended and fixing the amount of the bonds proposed to be issued, the maturity thereof, and optional provisions, if any, the rate of interest thereon, and the amount of taxes to be levied annually for the purpose of paying the interest upon and the principal of such bonds.

Said bonds shall be issued in the corporate name of the school district. They shall be signed by the president and secretary of said board and countersigned by the mayor and comptroller (or city clerk if there be no comptroller) of the city. They shall be sold by the city comptroller (or city clerk if there be no comptroller) upon such terms as may be approved by the board after advertisement for bids as ordered by and under the direction of the board, and the proceeds thereof shall be received by the city treasurer, as school treasurer, and expended by the board for the purpose provided in the bond resolution.

Before or at the time of issuing any bonds herein authorized, the board shall provide for the levy and collection of a direct annual tax upon all the taxable property of such school district sufficient to pay and discharge the principal thereof at maturity and to pay the interest thereon as it falls due. Such tax shall be levied and collected in like manner with the other taxes of such school district and shall be in addition to and exclusive of the maximum of all other taxes which such board is now, or may hereafter be, authorized by law to levy for any and all school purposes. Upon the filing in the office of the county clerk of the county wherein such school district is located of a duly certified copy of any such ordinance, it shall be the duty of such county clerk to extend the tax therein provided for, including an amount to cover loss and cost of collecting said taxes and also deferred collections thereof and abatements in the amounts of such taxes as extended upon the collector's books. The ordinance shall be in force upon

its passage. P.A. 85-1418.

(Ch. 122, par. 34-43.1)

Sec. 34-43.1. (A) Limitation of noninstructional costs. It is the purpose of this Section to establish for the Board of Education and the general superintendent of schools requirements and standards which maximize the proportion of school district resources in direct support of educational, program, and building maintenance and safety services for the pupils of the district, and which correspondingly minimize the amount and proportion of such resources associated with centralized administration, administrative support services, and other noninstructional services.

For the 1989-90 school year and for all subsequent school years, the Board of Education shall undertake budgetary and expenditure control actions which limit the administrative expenditures of the Board of Education to levels, as provided for in this Section, which represent an average of the administrative expenses of all school districts in this State not subject to Article 34.

(B) Certification of expenses by the State Superintendent of Education. The State Superintendent of Education shall annually certify, on or before May 1, to the Board of Education and the School Finance Authority, for the applicable school year, the following information:

(1) the annual expenditures of all school districts of the State not subject to Article 34 properly attributable to expenditure functions defined by the rules and regulations of the State Board of Education as: 2210 (Improvement of Instructional Services); 2300 (Support Services - General Administration) excluding, however, 2320 (Executive Administrative Services); 2490 (Other Support Services - School Administration); 2500 (Support Services - Business); 2600 (Support Services - Central);

(2) the total annual expenditures of all school districts not subject to Article 34 attributable to the

Education Fund, the Operations, Building and Maintenance Fund, the Transportation Fund and the Illinois Municipal Retirement Fund of the several districts, as defined by the rules and regulations of the State Board of Education; and

(3) a ratio, to be called the statewide average of administrative expenditures, derived by dividing the expenditures certified pursuant to paragraph (B)(1) by the expenditures certified pursuant to paragraph (B)(2).

For purposes of the annual certification of expenditures and ratios required by this Section, the "applicable year" of certification shall initially be the 1986-87 school year and, in sequent years, each succeeding school year.

The State Superintendent of Education shall consult with the Board of Education to ascertain whether particular expenditure items allocable to the administrative functions enumerated in paragraph (B)(1) are appropriately or necessarily higher in the applicable school district than in the rest of the State due to noncomparable factors. The State Superintendent shall also review the relevant cost proportions in other large urban school districts. The State Superintendent shall also review the expenditure categories in paragraph (B)(1) to ascertain whether they contain school-level expenses. If he or she finds that adjustments to the formula are appropriate or necessary to establish a more fair and comparable standard for administrative cost for the Board of Education or to exclude school-level expenses, the State Superintendent shall recommend to the School Finance Authority rules and regulations adjusting particular subcategories in this subsection (B) or adjusting certain costs in determining the budget and expenditure items properly attributable to the functions or otherwise adjust the formula.

(C) Administrative expenditure limitations. The annual budget of the Board of Education, as adopted and implemented, and the related annual expenditures for the school year,

shall reflect a limitation on administrative outlays as required by the following provisions, taking into account any adjustments established by the State Superintendent of Education: (1) the budget and expenditures of the Board of Education for the 1989-90 school year shall reflect a ratio of administrative expenditures to total expenditures equal to or less than the statewide average of administrative expenditures for the 1986-87 school year as certified by the State Superintendent of Education pursuant to paragraph (B)(3); (2) for the 1990-91 school year and for all subsequent school years, the budget and expenditures of the Board of Education shall reflect a ratio of administrative expenditures to total expenditures equal to or less than the statewide average of administrative expenditures certified by the State Superintendent of Education for the applicable year pursuant to paragraph (B)(3); (3) if for any school year the budget of the Board of Education reflects a ratio of administrative expenditures to total expenditures which exceeds the applicable statewide average, the Board of Education shall reduce expenditure items allocable to the administrative functions enumerated in paragraph (B)(1) such that the Board of Education's ratio of administrative expenditures to total expenditures is equal to or less than the applicable statewide average ratio.

For purposes of this Section, the ratio of administrative expenditures to the total expenditures of the Board of Education, as applied to the budget of the Board of Education, shall mean: the budgeted expenditure items of the Board of Education properly attributable to the expenditure functions identified in paragraph (B)(1) divided by the total budgeted expenditures of the Board of Education properly attributable to the Board of Education funds corresponding to those funds identified in paragraph (B)(2), exclusive of any monies budgeted for payment to the Public School Teachers' Pension and Retirement System, attributable to payments due

from the General Funds of the State of Illinois.

The annual expenditure of the Board of Education for 2320 (Executive Administrative Services) for the 1989-90 school year shall be no greater than the 2320 expenditure for the 1988-89 school year. The annual expenditure of the Board of Education for 2320 for the 1990-91 school year and each subsequent school year shall be no greater than the 2320 expenditure for the immediately preceding school year or the 1988-89 school year, whichever is less. This annual expenditure limitation may be adjusted in each year in an amount not to exceed any change effective during the applicable school year in salary to be paid under the collective bargaining agreement with instructional personnel to which the Board is a party and in benefit costs either required by law or such collective bargaining agreement.

(D) Cost control measures. In undertaking actions to control or reduce expenditure items necessitated by the administrative expenditure limitations of this Section, the Board of Education shall give priority consideration to reductions or cost controls with the least effect upon direct services to students or instructional services for pupils, and upon the safety and well-being of pupils, and, as applicable, with the particular costs or functions to which the Board of Education is higher than the statewide average.

For purposes of assuring that the cost control priorities of this subsection (D) are met, the State Superintendent of Education shall, with the assistance of the Board of Education, review the cost allocation practices of the Board of Education, and the State Superintendent of Education shall thereafter recommend to the School Finance Authority rules and regulations which define administrative areas which most impact upon the direct and instructional needs of students and upon the safety and well-being of the pupils of the district. No position closed shall be reopened using State or federal categorical funds.

(E) Report of Audited Information. For the 1988-89 school year and for all subsequent school years, the Board of Education shall file with the State Board of Education the Annual Financial Report and its audit, as required by the rules of the State Board of Education. Such reports shall be filed no later than February 15 following the end of the school year of the Board of Education, beginning with the report to be filed no later than February 15, 1990 for the 1988-89 school year.

As part of the required Annual Financial Report, the Board of Education shall provide a detailed accounting of the central level, district, bureau and department costs and personnel included within expenditure functions included in paragraph (B)(1). The nature and detail of the reporting required for these functions shall be prescribed by the State Board of Education in rules and regulations. A copy of this detailed accounting shall also be provided annually to the School Finance Authority and the public. This report shall contain a reconciliation to the board of education's adopted budget for that fiscal year, specifically delineating administrative functions.

If the information required under this Section is not provided by the Board of Education in a timely manner, or is initially or subsequently determined by the State Superintendent of Education to be incomplete or inaccurate, the State Superintendent shall, in writing, notify the Board of Education of reporting deficiencies. The Board of Education shall, within 60 days of such notice, address the reporting deficiencies identified. If the State Superintendent of Education does not receive satisfactory response to these reporting deficiencies within 60 days, the next payment of general State aid due the Board of Education under Section 18-8, and all subsequent payments, shall be withheld by the State Superintendent of Education until the enumerated deficiencies have been addressed.

Utilizing the Annual Financial Report, the State Superintendent of Education shall certify on or before May 1 to the School Finance Authority the Board of Education's ratio of administrative expenditures to total expenditures for the 1988-89 school year and for each succeeding school year. Such certification shall indicate the extent to which the administrative expenditure ratio of the Board of Education conformed to the limitations required in subsection (C) of this Section, taking into account any adjustments of the limitations which may have been recommended by the State Superintendent of Education to the School Finance Authority. In deriving the administrative expenditure ratio of the Chicago Board of Education, the State Superintendent of Education shall utilize the definition of this ratio prescribed in subsection (C) of this Section, except that the actual expenditures of the Board of Education shall be substituted for budgeted expenditure items.

(F) Approval and adjustments to administrative expenditure limitations. The School Finance Authority organized under Article 34A shall monitor the Board of Education's adherence to the requirements of this Section. As part of its responsibility the School Finance Authority shall determine whether the Board of Education's budget for the next school year, and the expenditures for a prior school year, comply with the limitation of administrative expenditures required by this Section. The Board of Education and the State Board of Education shall provide such information as is required by the School Finance Authority in order for the Authority to determine compliance with the provisions of this Section. If the Authority determines that the budget proposed by the Board of Education does not meet the cost control requirements of this Section, the Board of Education shall undertake budgetary reductions, consistent with the requirements of this Section, to bring the proposed budget into compliance with such cost control limitations.

If, in formulating cost control and cost reduction alternatives, the Board of Education believes that meeting the cost control requirements of this Section related to the budget for the ensuing year would impair the education, safety, or well-being of the pupils of the school district, the Board of Education may request that the School Finance Authority make adjustments to the limitations required by this Section. The Board of Education shall specify the amount, nature, and reasons for the relief required and shall also identify cost reductions which can be made in expenditure functions not enumerated in paragraph (B)(1), which would serve the purposes of this Section.

The School Finance Authority shall consult with the State Superintendent of Education concerning the reasonableness from an educational administration perspective of the adjustments sought by the Board of Education. The School Finance Authority shall provide an opportunity for the public to comment upon the reasonableness of the Board's request. If, after such consultation, the School Finance Authority determines that all or a portion of the adjustments sought by the Board of Education are reasonably appropriate or necessary, the Authority may grant such relief from the provisions of this Section which the Authority deems appropriate. Adjustments so granted apply only to the specific school year for which the request was made.

In the event that the School Finance Authority determines that the Board of Education has failed to achieve the required administrative expenditure limitations for a prior school year, or if the Authority determines that the Board of Education has not met the requirements of subsection (F), the Authority shall make recommendations to the Board of Education concerning appropriate corrective actions. If the Board of Education fails to provide adequate assurance to the Authority that appropriate corrective actions have been or will be taken, the Authority may, within 60 days thereafter,

require the board to adjust its current budget to correct for the prior year's shortage or may recommend to the members of the General Assembly and the Governor such sanctions or remedial actions as will serve to deter any further such failures on the part of the Board of Education.

To assist the Authority in its monitoring responsibilities, the Board of Education shall provide such reports and information as are from time to time required by the Authority.

(G) Independent reviews of administrative expenditures. The School Finance Authority may direct independent reviews of the administrative and administrative support expenditures and services and other non-instructional expenditure functions of the Board of Education. The Board of Education shall afford full cooperation to the School Finance Authority in such review activity. The purpose of such reviews shall be to verify specific targets for improved operating efficiencies of the Board of Education, to identify other areas of potential efficiencies, and to assure full and proper compliance by the Board of Education with all requirements of this Section.

In the conduct of reviews under this subsection, the Authority may request the assistance and consultation of the State Superintendent of Education with regard to questions of efficiency and effectiveness in educational administration.

(H) Reports to Governor and General Assembly. On or before May 1, 1991 and no less frequently than yearly thereafter, the School Finance Authority shall provide to the Governor, the State Board of Education, and the members of the General Assembly an annual report, as outlined in Section 34A-606, which includes the following information: (1) documenting the compliance or non-compliance of the Board of Education with the requirements of this Section; (2) summarizing the costs, findings, and recommendations of any reviews directed by the School Finance Authority, and the

response to such recommendations made by the Board of Education; and (3) recommending sanctions or legislation necessary to fulfill the intent of this Section. P.A. 86-124.

(Ch. 122, par. 34-53)

Sec. 34-53. Tax levies - Purpose - Rates. For the purpose of establishing and supporting free schools for not fewer than 9 months in each year and defraying the expenses thereof; for the purpose of building, renting buildings and property for school purposes (other than buildings and property rented from the Public Building Commission of Chicago), repairing and improving such school houses and property, or procuring school lands, furniture, fuel, libraries, apparatus, building and architectural supplies, for the purchase, maintenance, repair and replacement of fixtures generally used in school buildings, including but not limited to heating and ventilating systems, mechanical equipment, seats and desks, blackboards, window shades and curtains, gymnasium and recreation apparatus and equipment, auditorium and lunchroom equipment, and all expenses incident thereto in each district described in this Article, the board of education may levy annually, upon all taxable property of the district or city, a tax for building purposes and the purchase of school grounds for the fiscal years 1971 through 1984 at a rate not to exceed .45% and for fiscal year 1985 and each fiscal year thereafter at a rate not to exceed the sum of (a) .45% (or such other rate as may be set by law independent of the rate difference described in (b) below) and (b) the difference between .50% and the rate per cent of taxes extended for a School Finance Authority organized under Article 34A of The School Code, as amended, for the calendar year in which the applicable fiscal year of the board begins as determined by the county clerk and certified to the board pursuant to Section 162 of the Revenue Act of 1939, as amended, of the value, as equalized or assessed by the

Department of Revenue for the year in which the levy was made; and may levy annually, upon all taxable property of such district or city, for educational purposes a tax for the fiscal years 1971 through 1980 at a rate not to exceed 2.11%, for the fiscal years 1981 through 1983 at a rate of not to exceed 1.61% and for each fiscal year thereafter at a rate of not to exceed 2.11% of the value as equalized or assessed by the Department of Revenue for the year in which such levy is made. Provided, however, when bonds are issued by the board as authorized by Section 34-22.1 the rate of tax herein authorized to be levied for building purposes and the purchase of school grounds shall be reduced each year by the rate of tax necessary to be levied for each such year to pay the principal of and interest upon such bonds when issued. Except sums expended or obligations incurred for purposes described in any resolution and ordinance authorizing bonds issued under Sections 34-22.1, 34-22.2, 34-22.3, 34-22.4, 34-22.5, 34-22.6 and 34-22.10, any sum expended or obligations incurred for the purpose of building school houses, renting buildings and property for school purposes (other than buildings and property rented from the Public Building Commission of Chicago), for procuring school lands, furniture, fuel, libraries and apparatus, for the improvement, repair or benefit of school buildings and property, for building and architectural supplies, for the purchase, maintenance, repair and replacement of fixtures generally used in school buildings, including but not limited to heating and ventilating systems, mechanical equipment, seats and desks, blackboards, window shades and curtains, gymnasium and recreation apparatus and equipment, auditorium and lunchroom equipment, and all expenses incident thereto shall be paid from that portion of the tax levied for building purposes and the purchase of school grounds. The board may provide by resolution that the payment of all or a part of the salaries or wages of persons employed in

connection with the custody, heating or cleaning of school grounds and buildings, and all or part of expenditures for gas and electricity, water, telephone service, custodial supplies and equipment, or any one or more of the preceding items shall be paid from the tax for building purposes and the purchase of school grounds, and in such event such salaries or specified expenditures, or both, shall be so paid until the next fiscal year after the repeal of such resolution. After the adoption of the annual school budget, the board shall have the power to adopt or pass during such fiscal year an additional or supplemental budget under the sole authority of this Section by a vote of a majority of the full membership of the board, any other provision of this Article to the contrary notwithstanding, in and by which such additional or supplemental budget the board may provide for the appropriation from the building fund for the remainder of said fiscal year of such items of expenditure authorized by this Section as are expressly set forth in said resolution and such additional or supplemental budget shall be regarded as an amendment of the annual school budget for that fiscal year.

Except as hereinabove in this Section expressly provided, all taxes and tax rates herein authorized to be levied shall be exclusive of taxes and tax rates authorized to be levied for free textbooks, school playground (or school playground and recreational, as the case may be), agricultural science school, special education, public school teachers' pension and retirement fund, and working cash fund purposes, and for the payment of bonded indebtedness or interest thereon. This Act does not prevent the appropriation for and payment from the tax for educational purposes of any contribution to the public school teachers' pension and retirement fund and payments to persons retired, as provided by law, and such appropriations and payments are hereby authorized. Educational purposes, building purposes and the purchase of

school grounds, free textbook and school playground (or school playground and recreational as the case may be) purposes, agricultural science school purposes and special education purposes, respectively, shall include expenses of administration incidental to each of such purposes. Nothing in this amendatory Act of 1980 shall in any way impair or restrict the extension of taxes pursuant to levies lawfully made prior to the adoption of this amendatory Act.

Notwithstanding any other provision of Chapter 122 and in addition to the methods provided in this chapter for increasing the tax rate, the Chicago Board of Education may, by proper resolution, cause a proposition to increase the annual tax rate for educational purposes to be submitted to the voters of such district at any general or special election. The maximum rate for educational purposes shall not exceed 4.00%. The election called for such purpose shall be governed by Article 9 of this Act. If at such election a majority of the votes cast on the proposition is in favor thereof, the Board of Education may thereafter until such authority is revoked in a like manner, levy annually the tax so authorized. P.A. 85-1440.

(Ch. 122, par. 34-53.1)

Sec. 34-53.1. Supplemental tax levy. When a supplemental budget has been adopted by the board of education under Section 34-44.1 the board of education may levy supplemental taxes which shall not exceed the amount of the increase in revenues projected in the supplemental budget nor exceed the maximum rates of taxes which the board is authorized by law to levy for the fiscal year to which the increase applies for the respective purposes. With respect to any supplemental levy based on an increase in the value of taxable property in the school district, such supplemental levy shall be adopted within 60 days of the date of the final certification of the equalization rate by the Department of Revenue to the county clerk as provided in the "Revenue Act

of 1939", as amended, irrespective of whether the adoption occurs within or after the close of the fiscal year to which the increase applies. The board is authorized to levy supplemental taxes pursuant to this Section. P.A. 85-1418.

(Ch. 122, par. 34-53.2)

Sec. 34-53.2. Tax for special education purposes. The board of education may levy annually, upon all taxable property of such district or city, a tax for special education purposes for fiscal year 1985 and each fiscal year thereafter at a rate not to exceed .04% of the value of such property, as equalized or assessed by the Department of Revenue for the year in which such levy is made.

The revenue raised by such tax shall be used only for special education purposes, including but not limited to the construction and maintenance of special education facilities and the purposes authorized by Article 14. Upon proper resolution of the board of education, the school district may accumulate such funds for special education building purposes for a period of 8 years. No such accumulation shall ever be transferred or used for any other purpose.

If it is no longer feasible or economical to use classroom facilities constructed with revenues raised and accumulated by the tax for special education purposes, the district may, with the approval of the regional superintendent of schools and the State Superintendent of Education, use such facilities for regular school purposes. The district shall make comparable facilities available for special education purposes at another attendance center which is in a more practical location due to the proximity of the students served. P.A. 85-1418.

(Ch. 122, par. 34-54)

Sec. 34-54. Supplemental budget for education and building purposes. After the adoption of the annual school budget for the fiscal year 1971, the board shall have the power to adopt or pass during such fiscal year an additional

or supplemental budget under the sole authority of this Section by a vote of a majority of the full membership of the board, any other provision of this Article to the contrary notwithstanding, in and by which such additional or supplemental budget the board shall appropriate such additional sums of money as it may find necessary to defray expenses and liabilities of the district to be incurred for educational and building purposes of the district during such fiscal year, but not in excess of the additional funds estimated to be available by virtue of the increase in the maximum annual tax rates for educational and building purposes set forth in Section 34-53, and such additional or supplemental budget shall be regarded as an amendment of the annual school budget for the fiscal year 1971. After the adoption of such additional or supplemental budget the board shall levy the necessary additional tax for educational and building purposes to equal the amount of such additional sums of money appropriated in the 1971 additional or supplemental budget for educational and building purposes, and such ordinance shall be in force upon its passage. P.A. 85-1418.

(Ch. 122, par. 34-54.1)

Sec. 34-54.1. Tax rates and levies on and after September 1, 1974 - Levy of taxes for months of September through December of 1974.) On and after September 1, 1974, the annual tax rates and the several tax levies authorized to be made shall be for the fiscal year commencing September 1 and ending August 31.

Notwithstanding any provision in this Article 34 to the contrary, within 60 days after September 1, 1974 and within 60 days after September 1 of each year thereafter, the board of education may levy upon all the taxable property of the district or city, the annual taxes required to provide the necessary revenue to defray expenditures, charges and liabilities incurred by the board for the fiscal year beginning September 1 and ending August 31. The levy may be

based upon the estimated equalized assessed valuation provided the county clerk shall extend for collection only so much thereof as is permitted by law. The total amount of the levy shall be certified to the county clerk who shall extend for collection only so much thereof as is required to provide the necessary revenue to defray expenditures, charges and liabilities incurred by the board as certified by the controller of the board to the county clerk upon the value, as equalized or assessed by the Department of Revenue for the calendar year in which the levy was made. The county clerk shall thereafter in the succeeding calendar year extend such remaining amount of the levy as is certified by the controller of the board to the county clerk upon the value, as equalized or assessed by the Department of Revenue for such calendar year. In each year the county clerk shall extend taxes at a rate sufficient to produce the full amount of the 2 partial levies attributable to that tax year. Provided, however, and notwithstanding the provisions of any other law to the contrary: (a) in calendar year 1983, the maximum extension of taxes for education purposes which the county clerk shall make against the value of all taxable property of the board as equalized or assessed by the Department of Revenue for 1982, shall be at the maximum rate at which the board is authorized to levy taxes pursuant to the provisions of Section 34-53 for education purposes for the fiscal year of the board which begins in calendar year 1983; (b) in calendar year 1984 and each calendar year thereafter, the extension of taxes for education purposes which the county clerk shall make against the value of all taxable property of the district or city, as equalized or assessed by the Department of Revenue, shall be at the maximum rate at which the board is authorized to levy taxes pursuant to the provisions of Section 34-53 for education purposes for the fiscal year of the board which begins in that calendar year; (c) in calendar year 1984, the extension

of taxes for building purposes and purchase of school grounds which the county clerk shall make against the value of all taxable property of the district or city, as equalized or assessed by the Department of Revenue for the prior calendar year, shall be at a rate equal to the sum of (i) the maximum rate at which the board is authorized to levy taxes, pursuant to the provisions of Section 34-53, for building purposes and the purchase of school grounds for the fiscal year of the board which begins in calendar year 1984, plus (ii) the maximum rate at which the board is authorized to levy taxes pursuant to the provisions of Section 34-53.2 for special education purposes for the fiscal year of the board which begins in calendar year 1984; (d) in calendar years 1985 and 1986, and also in calendar year 1987, the extension of taxes for building purposes and the purchase of school grounds which the county clerk shall make against the value of all taxable property of the district or city, as equalized or assessed by the Department of Revenue, shall be at the maximum rate at which the board is authorized to levy taxes pursuant to the provisions of Section 34-53 for building purposes and the purchase of school grounds for the fiscal year of the board which begins in that calendar year; and (e) in calendar year 1987 and each calendar year thereafter, the extension of taxes for school supervised playground outside school hours and stadia, social center and summer swimming pool purposes which the county clerk shall make against the value of all taxable property of the district or city, as equalized or assessed by the Department of Revenue, shall be at the maximum rate at which the board is authorized to levy taxes pursuant to Section 34-62 for such playground purposes for the fiscal year of the board which begins in that calendar year. In calendar year 1985 and each calendar year thereafter, the county clerk shall extend any special education purposes tax which is levied as provided in Section 34-53.2 in full in the calendar year following the year in

which the levy of such a tax was made. P.A. 85-1209; 85-1418.

(Ch. 122, par. 34-55)

Sec. 34-55. Expenditures in excess of receipts. The board shall not add to the expenditures for school purposes anything above the amount received from the State common school fund, the rental of school lands or property, funds otherwise received, and the amount of school taxes levied and to be levied for educational and for building purposes. If the board does so add to such expenditures the city shall not be liable therefor. The board is authorized to levy all taxes as provided for in this Article. P.A. 85-1418.

(Ch. 122, par. 34-57)

Sec. 34-57. Working cash fund tax. For the purpose of providing moneys for a working cash fund created pursuant to Sections 34-30 through 34-36 the board may levy annually upon all the taxable property within the city a tax of not to exceed .05% of value as equalized or assessed by the Department of Revenue, for the year in which each such levy is made. The collection of any such tax shall not be anticipated by the issuance of any warrants drawn against it. Such tax shall be levied and collected in like manner with the general taxes of the school district. It shall be known as the working cash fund tax. The tax may be levied on or before the third Tuesday in September in each year, without any appropriation thereof being made in the annual school budget, or otherwise; provided, however, if bonds are authorized and sold under Sections 34-30 through 34-36 the board shall adopt a resolution indicating the amount of principal of and interest upon such bonds that will be due in each year and file a certified copy thereof with the county clerk, directing him to reduce the taxes thereafter to be extended for the purpose of providing moneys for the working cash fund, by the amount of the tax levied to pay the principal of and interest upon such bonds that will be due

and payable in the year for which such bond tax is to be extended. Such reductions shall be made annually by the county clerk while the bonds are outstanding. P.A. 85-1418.

(Ch. 122, par. 34-59)

Sec. 34-59. Tax anticipation warrants to provide free textbooks. When there is not sufficient money in the treasury to meet the ordinary and necessary expenses for furnishing free textbooks for the use of pupils attending the public schools, the board may order issued warrants against and in anticipation of the collection of any taxes so levied to the extent of 85% of the total amount of taxes levied for such purposes; provided, however, that warrants drawn and issued under the provisions of this section shall be numbered consecutively in the order of their issuance and shall show upon their face that they are payable solely from said taxes when collected and not otherwise, and that payment thereof will be made in the order of their issuance, beginning with the warrants having the lowest number, and shall be received by any collector of taxes in payment of taxes against which they are issued and such taxes against which said warrants are drawn shall be set apart and held for their payment, as herein provided. Every warrant issued against said taxes shall bear interest, payable out of the taxes against which said warrants are drawn, at a rate of not to exceed 7% per annum if issued before July 1, 1971, and if issued thereafter at the rate of not to exceed 6% per annum, from the date of their issuance until paid, or until notice shall be given by publication in a newspaper or otherwise that the money for the payment of said warrants is available and that said warrants will be paid on presentation. P.A. 85-1418.

(Ch. 122, par. 34-60)

Sec. 34-60. Tax for teachers' pension and retirement fund. The board of education of any city having a population exceeding 500,000 inhabitants and having a Public School Teachers' Pension and Retirement Fund shall annually levy for

the purpose of providing revenue for such fund, a tax not to exceed the rate or amount provided in Section 17-128 of the Illinois Pension Code. The tax shall be known as the Public School Teachers' Pension and Retirement Fund Tax. P.A. 85-1418.

(Ch. 122, par. 34-62)

Sec. 34-62. Tax for playgrounds. The board shall annually levy for the purpose of establishing, equipping, maintaining and operating supervised playgrounds outside of school hours adjacent to or connected with any public school under the control of the board or school district, and for stadia, social center and summer swimming pool programs open to the public in connection with any such public school, including the salaries or wages of teachers, supervisory personnel, attendants and all other persons employed in connection with all of such purposes, an annual tax not exceeding .08 per cent of the value, as equalized or assessed by the Department of Revenue, of all taxable property on all taxable property in the city. This tax shall be known as the school supervised playground outside school hours and stadia, social center and summer swimming pool purposes tax. In ascertaining the rate per cent that will produce the amount of any such tax, the county clerk shall not add to such tax or rate any amount to cover the loss and cost of collecting the tax. P.A. 85-1418.

(Ch. 122, par. 34-63)

Sec. 34-63. Tax anticipation warrants for playground purposes. When there is not sufficient money in the treasury to meet the ordinary and necessary expenses for supervised playground outside school hours purposes, and for the purpose of equipping, maintaining and operating supervised playgrounds outside school hours (or for supervised playgrounds outside school hours and stadia, social center and summer swimming pool open to the public purposes, as the case may be) the board may order issued warrants against and

in anticipation of any taxes levied for the payment of the expenditures for the above purpose to the extent of 85% of the total amount of taxes levied for such purpose.

Reissued warrants shall bear the index numerical designation of the original warrants, shall be sub-numbered consecutively in the order of reissuance, and shall be paid in the direct order of reissuance, beginning with the earliest sub-number. Reissued warrants shall, however, be paid prior to the payment of any warrant, or any reissuance thereof, issued after the date of the original warrant and in anticipation of the collection of the same tax. P.A. 85-1418.

(Ch. 122, par. 34-68)

Sec. 34-68. Issuance without submission to voters. The board may provide that the resolutions authorizing issuance of refunding bonds issued under Section 34-65 shall be effective without the submission thereof to the voters of the school district or city for approval.

The validity of each refunding bond so executed shall remain unimpaired, although one or more of the signing officers have ceased to be such officer or officers before the delivery of the bond to the purchaser. P.A. 85-1418.

(Ch. 122, par. 34-69)

Sec. 34-69. Tax for payment of refunding bonds. Before or at the time of issuing refunding bonds authorized by Section 34-65 the board shall provide for the collection of a direct annual tax upon all the taxable property of the school district, sufficient to pay and discharge the principal thereof at maturity and to pay the interest thereon as it falls due. Upon the filing in the office of the county clerk of the county wherein such school district is located of a duly certified copy of any such ordinance it shall be the duty of such county clerk to extend the tax therein provided for. P.A. 85-1418.

(Ch. 122, par. 34-72)

Sec. 34-72. Payment of refunding bonds - Tax held uncollectible. When prior to July 12, 1937, any school district described in this Article received from the sale of its refunding bonds their par value in money which was used to pay its maturing bonds, proceeds of the sale of such maturing bonds at the par value thereof theretofore having been used to repay a like amount of money received and expended by the school district for proper school purposes and any court has held or may thereafter hold unenforceable the collection of taxes levied for the payment of such refunding bonds, the school district may pay to the holders of such refunding bonds the amount of money received from the sale thereof and actually used for such purpose for which the refunding bonds were authorized, such payments to be made at such times, in such amounts and with such rate of interest as the board shall by resolution determine, provided such payments shall not be made before the refunding bonds are due or in excess of the par value thereof or at a greater rate of interest than named in them. Such payments shall be made only to the holders of the refunding bonds and upon production and cancellation thereof and of pertinent interest coupons.

The board, annually shall provide for the collection of a direct annual tax upon all taxable property within the school district, sufficient to make such payments, which shall be levied and collected in like manner with the other taxes of the school district.

Upon filing in the office of the county clerk of the county wherein such school district is located of a duly certified copy of such ordinance it shall be the duty of such county clerk to extend the tax therein provided for. P.A. 85-1418.

(Ch. 122, par. 34-73)

Sec. 34-73. Certain taxes additional to maximum otherwise authorized - not reducible. Each of the taxes authorized to be levied by Sections 34-33, 34-39, 34-53.2,

34-53.3, 34-54.1, 34-57, 34-58, 34-60, 34-62, 34-69, and 34-72 of this Code, and by Section 17-128 of the "Illinois Pension Code" shall be in addition to and exclusive of the maximum of all other taxes which the school district is authorized by law to levy upon the aggregate valuation of all taxable property within the school district or city and the county clerk in reducing taxes under the provisions of the "Revenue Act of 1939", as amended, shall not consider any of such taxes therein authorized as a part of the tax levy of the school district or city required to be included in the aggregate of all taxes to be reduced and no reduction of any tax levy made under the "Revenue Act of 1939", as amended, shall diminish any amount appropriated or levied for any such tax. P.A. 85-1440.

(Ch. 122, par. 34-84)

Sec. 34-84. Appointments and promotions of teachers and supernumerary teachers. Appointments and promotions of teachers shall be made for merit only, and after satisfactory service for a probationary period of 3 years (during which period the board may dismiss or discharge any such probationary employee upon the recommendation, accompanied by the written reasons therefor, of the general superintendent of schools) appointments of teachers shall become permanent, subject to: (1) termination by compulsory retirement at the age of 70 years, except that certificated teachers attaining the age of 70 years during the regular school term or persons theretofore certificated and retired who have attained the age of 70 years may continue to be employed as substitute teachers on a daily basis or on a temporary certificate after the end of the school term during which they attain the age of 70 years; (2) the rules of the board concerning conduct and efficiency; and (3) removal for cause in the manner provided by Section 34-85.

As used in this Article, "teachers" means and includes all members of the teaching force excluding the general

superintendent, subdistrict superintendents and principals.

There shall be no reduction in teachers because of a decrease in student membership or a change in subject requirements within the attendance center organization after the 20th day following the first day of the school year.

Nothing in this Article shall be construed to prevent parties to a collective bargaining agreement from agreeing to a process for employment of supernumerary teachers. Supernumerary teachers shall apply for filling new and vacant teaching positions in the school system through the application process collectively bargained between the parties to a collective bargaining agreement. Supernumerary teachers shall be given first consideration by the principal in the selection process as part of the pool of eligible candidates for current vacancies or newly created positions, unless otherwise determined in the collective bargaining agreement. The school principal shall make the final decision in selecting teachers to fill new and vacant positions. If the supernumerary teacher is not selected by a principal to fill a new or vacant teaching position or if no vacancy exists, the supernumerary teacher shall be employed by the Board of Education in a position which shall be collectively bargained between the parties. These teachers shall continue to receive the full salaries and benefits for which they are eligible as teachers, accrue seniority and retain tenure rights. P.A. 85-1418.

(Ch. 122, par. 34-85)

Sec. 34-85. Removal for cause - Notice and hearing - Suspension. No teacher employed by the board of education shall (after serving the probationary period of 3 years specified in Section 34-84) be removed except for cause. No principal employed by the board of education shall be removed during the term of his or her performance contract except for cause.

The board by a vote of a majority of its full membership

must first approve a motion containing written charges and specifications presented by the general superintendent of schools. A written notice of such charges shall be served upon the teacher or principal within 5 days of the adoption of the motion. If the teacher or principal cannot be found upon diligent inquiry, such charges may be served upon him by mailing a copy thereof in a sealed envelope by prepaid certified mail, return receipt requested, to the teacher's or principal's last known address. A return receipt showing delivery to such address within 10 days after the date of the adoption of the motion shall constitute proof of service.

No hearing upon the charges is required unless the teacher within 10 days after receiving notice requests in writing of the board that a hearing be scheduled, in which case the board shall schedule a hearing on those charges before a disinterested hearing officer on a date no less than 15 nor more than 30 days after the adoption of the motion. The secretary of the board shall forward a copy of the notice to the State Board of Education within 5 days from the date of the adoption of the motion. Within 5 days after receiving the notice of hearing, the State Board of Education shall provide the teacher or principal and the board with a list of 5 prospective, impartial hearing officers. Each person on the list must be accredited by a national arbitration organization.

The board and the teacher or principal or their legal representatives within 3 days from receipt of the list shall alternately strike one name from the list until only one name remains. The teacher or principal shall have the right to proceed first with the striking. Each party shall promptly serve written notice on the other of any name stricken from the list. If the teacher or principal fails to do so, the board may select the hearing officer from any name remaining on the list. The teacher or principal may waive the hearing at any time prior to the appointment of the hearing officer.

Notice of the selection of the hearing officer shall be given to the State Board of Education. The hearing officer shall be notified of his selection by the State Board of Education. A signed acceptance shall be filed with the State Board of Education within 5 days of receipt of notice of the selection. The State Board of Education shall notify the teacher or principal and the board of its appointment of the hearing officer. The State Board of Education shall promulgate uniform standards and rules of procedure for such hearings including reasonable rules of discovery.

The per diem allowance for the hearing officer shall be paid by the State Board of Education. The hearing officer shall hold a hearing and render the final decision. The hearing shall be public at the request of either the teacher or principal or the board. The teacher or principal has the privilege of being present at the hearing with counsel and of cross-examining witnesses and may offer evidence and witnesses and present defenses to the charges. The hearing officer may issue subpoenas requiring the attendance of witnesses and, at the request of the teacher or principal against whom a charge is made or the board, shall issue such subpoenas, but the hearing officer may limit the number of witnesses to be subpoenaed in behalf of the teacher or principal or the board to not more than 10 each. All testimony at the hearing shall be taken under oath administered by the hearing officer. The hearing officer shall cause a record of the proceedings to be kept and shall employ a competent reporter to take stenographic or stenotype notes of all the testimony. The costs of the reporter's attendance and services at the hearing shall be paid by the State Board of Education. Either party desiring a transcript of the hearing shall pay for the cost thereof.

Pending the hearing of the charges, the person charged may be suspended in accordance with rules prescribed by the board but such person, if acquitted, shall not suffer any

loss of salary by reason of the suspension.

Before service of notice of charges on account of causes that may be deemed to be remediable, the teacher or principal shall be given reasonable warning in writing, stating specifically the causes which, if not removed, may result in charges; however, no such written warning shall be required if the causes have been the subject of a remediation plan pursuant to Article 24A.

The hearing officer shall consider and give weight to all of the teacher's evaluations written pursuant to Article 24A.

The hearing officer shall within 45 days from the conclusion of the hearing make a decision as to whether or not the teacher or principal shall be dismissed and shall give a copy of the decision to both the teacher or principal and the board. If the hearing officer fails without good cause to make a decision within the 45 day period the name of such hearing officer shall be struck for a period not less than 6 months from the master list of hearing officers maintained by the State Board of Education. A violation of the professional standards set forth in "The Code of Professional Responsibility for Arbitrators of Labor-Management Disputes", of the National Academy of Arbitrators, the American Arbitration Association, and the Federal Mediation and Conciliation Service, shall be grounds for removal of the hearing officer from the master list of hearing officers maintained by the State Board of Education. The decision of the hearing officer is final unless reviewed as provided in Section 34-85b of this Act.

In the event judicial review is instituted, any costs of preparing and filing the record of proceedings shall be paid by the party instituting the review. If a decision of the hearing officer is adjudicated upon review or appeal in favor of the teacher or principal, then the trial court shall order reinstatement and shall determine the amount for which the board is liable including but not limited to loss of income

and costs incurred therein. Nothing in this Section affects the validity of removal for cause hearings commenced prior to the effective date of this amendatory Act of 1978. P.A. 85-1418.

(Ch. 122, par. 34A-102)

Sec. 34A-102. Findings and purpose.

(a) The General Assembly finds:

(i) A fundamental goal of the people of the State, as expressed in Section 1 of Article X of the Illinois Constitution, is the educational development of all persons to the limits of their capacities. When a board of education faces financial difficulties, continued operation of the public school system is threatened.

(ii) A sound financial structure is essential to the continued operation of any school system. It is vital to commercial, educational and cultural interests that the public schools remain in operation. To achieve that goal, public school systems must have effective access to the private market to borrow short and long term funds.

(iii) To promote the financial integrity of boards of education of cities having a population exceeding 500,000, it is necessary to provide for the creation of school finance authorities with the powers necessary to promote sound financial management and to assure the continued operation of the public schools.

(b) It is the purpose of this Article to provide a secure financial basis for the continued operation of the public schools. In addition, it is the further purpose of this Article to facilitate implementation of school reform in the continued operation of the public schools in accordance with the provisions of this amendatory Act of 1988. The intention of the General Assembly, in enacting this legislation, is to establish procedures, provide powers and impose restrictions to assure the financial and educational integrity of the public schools while leaving principal

responsibility for the educational policies of the public schools to the boards of education within the State, consistent with the requirements for satisfying the public policy and purpose herein set forth. P.A. 85-1418.

(Ch. 122, par. 34A-103)

Sec. 34A-103. Definitions. As used in this Article:

(a) "Authority" means the "(Name of City) School Finance Authority";

(b) "Board" means any board of education to which this Article is applicable;

(c) "Budget" means the budget of the Board as defined in Section 34-43 of this Act, as from time to time in effect;

(d) "Chairman" means the chairman of the Authority appointed pursuant to paragraph (c) of Section 34A-301 of this Article;

(e) "City" means the city wherein the school district of such Board is located;

(f) "Financial Plan" means the financial plan of the Board to be developed pursuant to Section 34A-403 of this Article, as from time to time in effect;

(g) "Fiscal Year" means the fiscal year of the Board;

(h) "Governor" means the Governor of the State of Illinois;

(i) "School year" means the school year of the Board;

(j) "Approved System-Wide Educational Reform Goals and Objectives Plan" means the system-wide educational reform goals and objectives plan that has been accepted and approved by the Authority;

(k) "Investment Obligations" means any of the following which at the time of investment are legal investments under the laws of the State for the money proposed to be invested therein:

(i) Direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America;

(ii) Bonds, debentures or notes or other evidence of indebtedness issued or guaranteed by any of the following agencies: Bank for Cooperatives; Federal Intermediate Credit Banks; Federal Land Banks; Federal Home Loan Banks; the Federal National Mortgage Association; the United States Postal Service; the Government National Mortgage Association; the Federal Financing National Mortgage Association; the Federal Financing Bank; or any other agency or instrumentality of the United States of America now existing or hereafter created;

(iii) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an Annual Contributions Contract or Contracts with the United States of America, or Project Notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America;

(iv) Direct and general obligations of, or obligations guaranteed by, the State, to the payment of the principal of and interest on which the full faith and credit of the State is pledged;

(v) Negotiable or non-negotiable time deposits evidenced by certificates of deposit issued by banks, trust companies or national banking associations (which may include the trustee) which are members of the Federal Deposit Insurance Corporation and savings and loan associations which are members of the Federal Savings and Loan Insurance Corporation, provided that such time deposits in any such bank, trust company, national banking association or savings and loan association are continuously secured by obligations described in clauses (i), (ii), (iii), or (iv) of this definition, provided further that such obligations at all times have a market value at least equal to the maturity

value of the deposits so secured, including accrued interest; and

(vi) Repurchase agreements with banks (which may include the trustee) described in clause (v) of this definition and government bond dealers reporting to, trading with, and recognized as primary dealers by a Federal Reserve Bank, the underlying securities of which are obligations described in clauses (i) or (ii) of this definition, provided that the underlying securities are required to be continuously maintained at a market value not less than the amount so invested;

(l) "Mayor" means the Mayor of the City;

(m) "Obligations" means bonds and notes of the Authority;

(n) "State" means the State of Illinois. P.A. 85-1418.

(Ch. 122, par. 34A-201a)

Sec. 34A-201a. Additional powers. The purpose of the Authority shall also be to approve and monitor the development and implementation of the Board's Approved System-Wide Educational Reform Goals and Objectives Plan; to exercise its authority, as provided herein, as necessary to facilitate implementation of the Board's Approved System-Wide Educational Reform Goals and Objectives Plan; and to promulgate rules concerning the management and direction of the Board, as deemed necessary, to address obstacles to the development or implementation of the Approved System-Wide Educational Reform Goals and Objectives Plan. Except as cited here, the Authority shall have no powers to involve itself in the management or operation of the Board in the implementation of the approved Plan.

The Authority, upon first making a specific written finding that any member, officer, employee or agent of the Board has violated any provision of subsection (a), (b) or (c) of Section 34A-608, may report its finding to any authority authorized by any law of this State to enforce any

penalty or liability to which any such member, officer, employee or agent may be subject by reason of such violation, and in addition may request the appropriate authority to initiate appropriate administrative disciplinary action as provided under subsection (d) of Section 34A-608.

Further, the purposes of the Authority shall also be to exercise the following additional powers to facilitate the Board's implementation of the provisions of this amendatory Act of 1988:

(a) to enforce the administrative expenditure limitation as provided in Section 34-43.1;

(b) to determine, in its judgment, at the time it acts upon the Board's budget pursuant to Section 34A-404, that all categorical funds, including funds for special education and bilingual education, are budgeted for allocation to attendance centers as provided by law;

(c) to determine, in its judgment, at the time it acts upon the Board's budget pursuant to Section 34A-404, that the budget submitted by the Board for any fiscal year provides proper allocation by formula of the lump sum amounts to the attendance centers in accordance with Sections 34-2.3 and 34-18, and provides for the allocation of Chapter 1 funds in accordance with subsection 5(i) of Section 18-8. The Authority shall assure that the Board apply any and all available resources to ensure that no attendance center shall suffer a reduction in its per pupil support as a result of the Chapter 1 redistribution formula provided for in subsection 5 (i) of Section 18-8; and

(d) to study opportunities and incentives for eligible personnel to avail themselves of early retirement provisions similar to those incentives offered through other retirement systems, after consultation with the Board of Education or school districts organized under Article 34.

The Authority's powers under this Section shall be limited to the implementation of the Approved System-Wide

Educational Reform Goals and Objectives Plan and related activities.

This Section is repealed effective June 30, 1994. P.A. 85-1418.

(Ch. 122, par. 34A-304)

Sec. 34A-304. Assistance by state agencies, units of local government or school districts. The Board shall render such services to, and permit the use of its facilities and resources by, the Authority at no charge as may be requested by the Authority. Any state agency, unit of local government, or school district may, within its respective function, render such services to the Authority as may be requested by the Authority. Upon request of the Authority any such agency, unit of local government or school district is hereby authorized and empowered to transfer to the Authority such officers and employees as the Authority may deem necessary in carrying out its functions and duties. Officers and employees so transferred shall not lose or forfeit their employment status or rights. P.A. 85-1418.

(Ch. 122, par. 34A-306)

Sec. 34A-306. Meetings and records. (a) The Governor shall call the first meeting of the Authority. Thereafter, the Directors shall prescribe the times and places for their meetings and the manner in which regular and special meetings may be called. The Directors shall comply in all respects with "An Act in relation to meetings", approved July 11, 1957, as now or hereafter amended. The Authority shall be an Agency to which the Local Records Act, as amended, applies.

(b) A majority of the Directors holding office shall constitute a quorum for the conduct of business. The affirmative votes of at least 3 Directors shall be necessary for adopting any rule or regulation, and for any other action required by this Article to be taken by resolution, directive or ordinance.

(c) The Authority and the State Superintendent of

Education shall cooperate with each other in the exercise of their respective powers under The School Code. There shall be at least one annual meeting between the Authority and the State Superintendent of Education in order to facilitate cooperation and communication. P.A. 85-1418.

(Ch. 122, par. 34A-412)

Sec. 34A-412. System-Wide Educational Reform Goals and Objectives Plan. The Board shall develop, adopt and submit to the Authority on or before August 1, 1989 an initial System-Wide Educational Reform Goals and Objectives Plan with respect to the 1989-90 school year. Thereafter, the Board shall develop, adopt and submit to the Authority on or before July 15th of each year a System-Wide Educational Reform Goals and Objectives Plan for the following school year. The Board must have an Approved System-Wide Educational Reform Goals and Objectives Plan for every year. The Authority shall approve or reject, in whole or in part, the System-Wide Educational Reform Goals and Objectives Plan submitted to it by the Board within 30 days of its receipt. No System-Wide Educational Reform Goals and Objectives Plan shall have force or effect without approval of the Authority. Each System-Wide Educational Reform Goals and Objectives Plan shall be developed, submitted, approved and monitored in accordance with the following procedures:

(a) Each System-Wide Educational Reform Goals and Objectives Plan shall include specific provisions designed to accomplish the following objectives and reflect the cumulative effect of the Local School Councils' School Improvement Plans in terms of student needs, financial requirements and timelines for implementation:

(1) To ensure, to the extent possible with available categorical funds designated for this purpose, the provision of education services to all eligible children aged 4 years for the 1990 91 school year and thereafter.

(2) To reduce class size to as near to State averages as

is possible giving priority consideration to grades K through 3 and other school needs as determined by local school councils.

(3) To increase the level of parental involvement in the education of their children.

(4) To enhance the range of authority, responsibility and accountability of principals within the framework established by this amendatory Act of 1988.

(5) To restructure the relationship of the Board and its administrative staff to local schools so that the relationship is characterized by less centralized control of attendance center operations and more field-based assistance.

(6) To ensure that all personnel have access to appropriate training opportunities.

(7) To ensure the provision of sufficient staff and facility resources for students beyond those enumerated in the categorical programs cited in item d of part 4 of Section 34-2.3 and not served in the regular classroom setting.

(8) To ensure the equitable distribution among the schools and programs of funds budgeted by the Board in accordance with applicable laws, rules and regulations.

(9) To comply with all aspects of "An Act in relation to educational reform and the financing thereof, amending Acts therein named", approved August 1, 1985, as now or hereafter amended.

(b) Each System-Wide Educational Reform Goals and Objectives Plan for the school year to which the plan applies shall contain a detailed description, including estimates of financial costs and expected dates of completion, of the following: (i) the Board's school reform goals and objectives; (ii) the Board's strategy for implementing its school reform goals and objectives; (iii) the Board's plans and strategy for implementing applicable State laws enacted to affect school reform; (iv) the Board's strategy for developing and implementing district-wide guidelines, rules

and procedures with respect to local school decision making as provided by applicable State law enacted as part of any school reform legislation, and for implementation of elements of the 1988 Mayor's Education Summit Agreement that were designated for Board implementation through administrative means; (v) the Board's goals and objectives for the two-year period subsequent to the school year for which the System-Wide Educational Reform Goals and Objectives Plan applies, as prescribed by the Authority; and (vi) such other information and detail as may be prescribed by the Authority. The Authority may prescribe any reasonable time, standards, procedures or forms for preparation and submission of the System-Wide Educational Reform Goals and Objectives Plan.

(c) The Authority shall approve a System-Wide Educational Reform Goals and Objectives Plan submitted by the Board if, in the Authority's judgment, the System-Wide Educational Reform Goals and Objectives Plan is complete, is reasonably capable of being achieved, is supported by demonstrably sufficient and available funding, is responsive to any Authority directives or requirements, is consistent with applicable State laws enacted to affect school reform, and is a plan reasonably capable of achieving substantial progress towards improving the educational achievement of the students and the Board. Otherwise, the Authority shall reject the System-Wide Educational Reform Goals and Objectives Plan. In the event of rejection, the Authority may prescribe a procedure and standards for revision and resubmission of the System-Wide Educational Reform Goals and Objectives Plan by the Board. If, within 60 days after the Authority notifies the Board of the Authority's rejection of the Board's System-Wide Educational Reform Goals and Objectives Plan and of the procedures and standards for revision and resubmission, the Board fails to approve and resubmit a revised plan acceptable to the Authority, the Authority may make revisions and adopt the final plan.

(d) The Board shall report to the Authority, at such times and in such manner as the Authority may direct, concerning the Board's implementation of each Approved System-Wide Educational Reform Goals and Objectives Plan. The Authority may review the Board's operations, obtain educational and financial data, require the Board to produce reports, and have access to any other information in the possession of the Board that it deems relevant. The Authority may issue recommendations or directives within its powers to the Board for the implementation of the Approved System-Wide Educational Reform Goals and Objectives Plan. The Board shall produce such reports and other information and comply with such directives.

(e) After approval of each System-Wide Education Reform Goals and Objectives Plan, the Board shall promptly notify the Authority of any material change in any matter contained in the Approved System-Wide Educational Reform Goals and Objectives Plan. The Board may submit to the Authority, or the Authority may require the Board to submit, modified System-Wide Educational Reform Goals and Objectives Plans based upon revised information. The Authority shall approve or reject each modified System-Wide Educational Reform Goals and Objectives Plan pursuant to paragraph (c) of this Section.

This Section is repealed effective June 30, 1994. P.A. 86-124.

(Ch. 122, par. 34A-413)

Sec. 34A-413. Consistency with System-Wide Educational Reform Goals and Objectives Plan. (a) The Board shall not enter into any contract, agreement or other obligation unless it is consistent with the Approved System-Wide Educational Reform Goals and Objectives Plan in effect.

(b) The Authority shall have no power to impair any existing contract or obligation of the Board; except, however, that the Authority may direct the Board to modify or

amend the Board rules or policies that the Authority deems necessary to facilitate development or implementation of the System-Wide Educational Reform Goals and Objectives Plan.

This Section is repealed effective June 30, 1994. P.A. 85-1418.

(Ch. 122, par. 34A-414)

Sec. 34A-414. Educational performance audits. The Authority may examine and audit the records of the Board or require that the Board examine and audit its records at such time and in such manner as the Authority may prescribe to assure, monitor and evaluate the performance of the Board with respect to compliance with an Approved System-Wide Educational Reform Goals and Objectives Plan and its overall educational achievement. The Authority shall conduct an annual audit of the educational performance of the Board with respect to meeting the goals of the Approved System-Wide Educational Reform Goals and Objectives Plan for such year. The audit technique, content and procedures shall be determined by the Authority. The Board shall cooperate and assist in the audit as requested by the Authority.

This Section is repealed effective June 30, 1994. P.A. 85-1418.

(Ch. 122, par. 34A-415)

Sec. 34A-415. Investigative powers. The Authority may investigate any action or activity which may hinder the progress of any part of an Approved System-Wide Educational Reform Goals and Objectives Plan. The Board shall cooperate and assist the Authority in any such investigation. Reports of the findings of any such investigation shall be provided to the Board.

This Section is repealed effective June 30, 1994. P.A. 85-1418.

(Ch. 122, par. 34A-601)

Sec. 34A-601. Hearings. To the extent feasible, the Authority shall provide for and encourage participation by

the public in the development and review of financial and educational policy. The Authority shall hold public hearings as it may deem appropriate to the performance of any of its functions. The Authority may designate one or more of its Directors or may appoint one or more hearing officers to preside over any hearing. The Authority shall hold public hearings as it may deem appropriate to the performance of any of its functions. The Authority shall have the power in connection with any such hearing to issue subpoenas to require attendance of witnesses and the production of documents, and may apply to any circuit court in the State to require compliance with such subpoenas. Upon the request of the Authority, the Board shall provide the facilities for and pay the expense of any hearing conducted by the Authority. P.A. 85-1418.

(Ch. 122, par. 34A-606)

Sec. 34A-606. Reports. (a) The Directors, upon taking office and annually thereafter, shall prepare and submit to the Governor, Mayor, General Assembly, and City Council a report which shall include the audited financial statement for the preceding Fiscal Year of the Board, an approved Financial Plan or a statement of reasons for the failure to adopt such a Financial Plan, a statement of the major steps necessary to accomplish the objectives of the Financial Plan, and a request for any legislation necessary to achieve the objectives of the Financial Plan.

(b) Annual reports shall be submitted on or before May 1 of each year.

(c) The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Board, the Governor, the Mayor and also the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of "An Act to revise the law

in relation to the General Assembly", approved February 25, 1874, as amended, and filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

(d) Each annual report required to be submitted through May 1, 1995, shall also include: (i) a description of the activities of the Authority; (ii) an analysis of the educational performance of the Board for the preceding school year; (iii) an Approved System-Wide Educational Reform Goals and Objectives Plan or a statement of reasons for the failure to adopt such an Approved System-Wide Educational Reform Goals and Objectives Plan; (iv) a statement of the major steps necessary to accomplish the goals of the Approved System-Wide Educational Reform Goals and Objectives Plan; (v) a commentary with respect to those Board policies and rules and those provisions of The School Code and collective bargaining agreements between the Board and its employees which, in the opinion of the Authority, are obstacles and a hindrance to fulfillment of any Approved System-Wide Educational Reform Goals and Objectives Plan; and (vi) a request for any legislative action necessary to achieve the goals of the Approved System-Wide Educational Reform Goals and Objectives Plan. P.A. 85-1418.

(Ch. 122, par. 34A-608)

Sec. 34A-608. Sanctions. (a) No member, officer, employee, or agent of the Board shall commit the Board to any contract or other obligation or incur any liability on behalf of the Board for any purpose if the amount of such contract, obligation or liability is in excess of the amount authorized for that purpose then available under the Financial Plan and Budget then in effect.

(b) No member, officer, employee, or agent of the Board shall commit the Board to any contract or other obligation on behalf of the Board for the payment of money for any purpose

required to be approved by the Authority unless such contract or other obligation has been approved by the Authority.

(c) No member, officer, employee, or agent of the Board shall take any action in violation of any valid order of the Authority or shall fail or refuse to take any action required by any such order or shall prepare, present, or certify any information (including any projections or estimates) or report for the Authority or any of its agents that is false or misleading, or, upon learning that any such information is false or misleading, shall fail promptly to advise the Authority or its agents.

(d) In addition to any penalty or liability under any other law, any member, officer, employee, or agent of the Board who shall violate subsections (a), (b), or (c) of this Section shall be subject to appropriate administrative discipline, including, if warranted, suspension from duty without pay, removal from office, or termination of employment. P.A. 85-1418.

AN ACT to amend Section 9-107 of the "Local Governmental and Governmental Employees Tort Immunity Act", approved August 13, 1965, as amended, and to amend Section 34-18.1 of "The School Code", approved March 18, 1961, as amended.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 1. Section 9-107 of the "Local Governmental and Governmental Employees Tort Immunity Act", approved August 13, 1965, as amended, is amended to read as follows:

(Ch. 85, par. 9-107)

Sec. 9-107. A local public entity may levy or have levied on its behalf taxes annually upon all taxable property within its territory at a rate that will produce a sum which will be sufficient to pay the cost of settlements or judgments under Section 9-102, to pay the costs of protecting itself or its employees against liability, property damage or loss, including all costs and reserves of being a member of an insurance pool, under Section 9-103, to pay the costs of and principal and interest on bonds issued under Section 9-105, to pay tort judgments or settlements under Section 9-104 to the extent necessary to discharge such obligations, to discharge any and all obligations under Section 34-18.1 of The School Code, as now or hereafter amended, and to pay the cost of risk care management programs. Provided it complies with any other applicable statutory requirements, the local public entity may self-insure and establish reserves for expected losses for any liability or loss for which the local public entity is authorized to levy or have levied on its behalf taxes for the purchase of insurance or the payment of judgments or settlements under this Section. The decision of the board to establish a reserve shall be based on reasonable evidence.

Funds raised pursuant to this Section shall be used by

any local public entity, including, but not limited to, a school district organized under Article 34 of The School Code, to pay the operating and administrative costs and expenses, including the cost of legal services and the wages and salaries of employees in connection with defending or otherwise protecting itself against any liability or loss described hereinabove and under Federal or State common or statutory law, the Workers' Compensation Act, the Workers' Occupational Diseases Act and the Unemployment Insurance Act, to purchase insurance, to purchase claim services, to pay for judgments or settlements, or to otherwise provide protection to the local public entity or its employees and -- with respect to a school district organized under Article 34 of The School Code -- to all persons and entities required to be insured, indemnified or otherwise protected under Section 34-18.1 of that Code, as now or hereafter amended, or, pursuant to an intergovernmental contract, other local public entities or their employees. Funds raised pursuant to this Section may be invested in any manner in which other funds of local public entities may be invested. Interest on such funds shall be used only for purposes for which the funds can be used or, if declared surplus, may be used for any other governmental purpose.

A local public entity may enter into intergovernmental contracts with a term of not to exceed 12 years for the provision of joint self-insurance which contracts may include an obligation to pay a proportional share of a general obligation or revenue bond or other debt instrument issued by a local public entity which is a party to the intergovernmental contract and is authorized by the terms of the contract to issue the bond or other debt instrument. Funds due under such contracts shall not be considered debt under any constitutional or statutory limitation and the local public entity may levy or have levied on its behalf taxes to pay for its proportional share under the contract.

Funds raised pursuant to intergovernmental contracts for the provision of joint self-insurance may only be used for the payment of any cost, liability or loss against which a local public entity may protect itself or self-insure pursuant to Section 9-103 or for the payment of which such entity may levy a tax pursuant to this Section, including tort judgments or settlements, costs associated with the issuance, retirement or refinancing of the bonds or other debt instruments, the repayment of the principal or interest of the bonds or other debt instruments, the costs of the administration of the joint self-insurance fund, consultant, and risk care management programs or the costs of insurance.

Any tax levied under this Section shall be levied and collected in like manner with the general taxes of the entity and shall be exclusive of and in addition to the amount of tax that entity is now or may hereafter be authorized to levy for general purposes under any statute which may limit the amount of tax which that entity may levy for general purposes. The county clerk of the county in which any part of the territory of the local taxing entity is located, in reducing tax levies under the provisions of any Act concerning the levy and extension of taxes, shall not consider any tax provided for by this Section as a part of the general tax levy for the purposes of the entity nor include such tax within any limitation of the percent of the assessed valuation upon which taxes are required to be extended for such entity.

Revenues derived from such tax shall be paid to the treasurer of the local taxing entity as collected and used for the purposes of this Section and of Section 9-102, 9-103, 9-104 or 9-105, as the case may be. If payments on account of such taxes are insufficient during any year to meet such purposes, the entity may issue tax anticipation warrants against the current tax levy in the manner provided by statute.

Section 2. Section 34-18.1 of "The School Code", approved March 18, 1961, as amended, is amended to read as follows:

(Ch. 122, par. 34-18.1)

Sec. 34-18.1. Protection from suit. The board of education shall insure or indemnify and protect the board, School Board Nominating Commission, Local School Councils or Subdistrict Councils, any member of the board, School Board Nominating Commission, Local School Council or Subdistrict Council, or any agent, employee, teacher, student teacher, officer or member of the supervisory staff of the school district against financial loss and expense, including reasonable legal fees and costs arising out of any claim, demand, suit, or judgment by reason of alleged negligence, alleged violation of civil rights occurring on or after September 5, 1967, or alleged wrongful act resulting in death or bodily injury to any person or accidental damage to or destruction of property, within or without the school premises, provided such board member, agent, employee, teacher, student teacher, officer or member of the supervisory staff, at the time of the occurrence was acting under the direction of the board within the course or scope of his duties.

Section 3. This Act shall take effect upon its becoming a law.

Printed by authority of the State of Illinois
LPUO 15216 - Sept. 1989 - 6,000 copies